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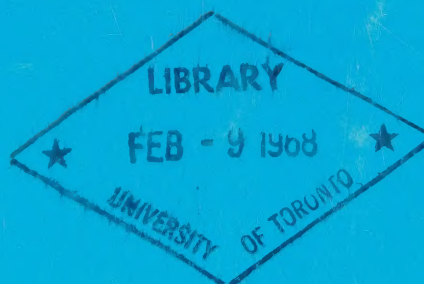


PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1963



Abridged Report



ISSUED BY THE DEPARTMENT OF FINANCE



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For the Fiscal Year ended March 31, 1963



Abridged Report

ISSUED BY THE DEPARTMENT OF FINANCE

ROGER DUHAMEL, F.R.S.C.
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1963

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foreword by THE MINISTER OF FINANCE

The Financial Administration Act requires that an annual report, called the Public Accounts, shall be laid before the House of Commons by the Minister of Finance on or before the 31st day of December, or if Parliament is then not in session, within fifteen days after the commencement of the next ensuing session.

The customary report will be presented in the usual way. However, for the first time, this abridged version is presented in the belief that a wider distribution of the data contained herein may prove of value to those who desire information, in summary form, of the more significant aspects of government financial transactions during the fiscal year ended March 31, 1963.

W. L. GORDON,
Minister of Finance.

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HIGHLIGHTS OF THE GOVERNMENT'S FINANCIAL OPERATIONS DURING 1962-63

This section outlines the financial operations of the government giving a brief summary of the budgetary and non-budgetary transactions, the operations of the old age security fund, the unmatured debt transactions and the change in the cash position during 1962-63 and the debt position as at March 31, 1963.

The following table summarizes the budgetary and non-budgetary transactions for 1962-63 with comparative figures for 1961-62 and indicates how these transactions affected the government's cash balances.

**SUMMARY OF BUDGETARY AND NON-BUDGETARY TRANSACTIONS
AND CHANGES IN CASH POSITION**
(in millions of dollars)

	Fiscal year ended March 31	
	1963	1962
Budgetary transactions—		
Revenues—		
Tax.....	5,237	5,111
Non-tax.....	642	619
	5,879	5,730
Expenditures—		
Defence ⁽¹⁾	-1,604	-1,650
Non-defence.....	-4,967	-4,871
	-6,571	-6,521
Deficit (—).....	-692	-791
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits—		
Repayment of temporary loans to old age security fund.....		17
Repayment of advances to the exchange fund account.....		231
Repayment of other loans, investments and working capital advances.....	171	120
Increase in non-interest-bearing notes payable on demand.....	385	
Net government annuities account receipts.....	29	36
Net insurance and pension accounts receipts.....	472	257
Other non-budgetary receipts.....	77	216
	1,134	877
Disbursements and charges—		
Temporary loans to old age security fund.....	-41	
Decrease in non-interest-bearing notes payable on demand.....		-12
Other loans, investments and working capital advances.....	-620	-481
Advances to the exchange fund account.....	-943	
Other non-budgetary disbursements.....	-302	-71
	-1,906	-564
Net amount available from, or required for (—), non-budgetary transactions....	-772	313
Overall cash requirements to be financed by increase in debt or decrease in cash balances.....	-1,464	-478
Net increase in unmatured debt outstanding in the hands of the public..	1,064	895
Net increase or decrease (—) in Receiver General bank balances.....	-400	417

⁽¹⁾ Consists of expenditures of the Departments of National Defence and Defence Production.

Budgetary transactions

Revenues

Budgetary revenues of the government in the fiscal year 1962-63 amounted to \$5,879 million. This was \$51 million or almost one per cent less than the October 22, 1962 forecast of \$5,930 million and \$149 million or approximately $2\frac{1}{2}$ per cent more than the total of \$5,730 million collected in 1961-62.

Expenditures

Budgetary expenditures of the government in 1962-63 amounted to \$6,571 million, \$70 million or slightly more than one per cent higher than forecast on October 22, 1962 and \$50 million or about three-quarters of one per cent higher than expenditures in 1961-62.

Defence expenditures amounted to \$1,604 million, 24 per cent of total budgetary expenditures, compared with \$1,650 million and 25 per cent in 1961-62 and were again the largest category.

Civil or non-defence expenditures totalled \$4,967 million compared with \$4,871 million in 1961-62, an increase of \$96 million.

Deficit

Expenditures of \$6,571 million exceeded revenues of \$5,879 million resulting in a deficit of \$692 million for 1962-63 compared with a deficit of \$570 million as forecast on October 22, 1962 and the deficit of \$791 million in 1961-62.

Non-budgetary transactions (excluding unmatured debt transactions)

In the 1962-63 fiscal year non-budgetary transactions (excluding those in respect of unmatured debt) resulted in a net requirement of \$772 million having to be financed by an increase in unmatured debt outstanding in the hands of the public or from Receiver General bank deposits. In 1961-62 these transactions resulted in a net amount of \$313 million being available for other purposes.

Old age security fund

Temporary loans of \$41 million were made to the old age security fund during 1962-63. In 1961-62 the fund repaid temporary loans in the amount of \$17 million.

Pension payments from the old age security fund totalled \$734 million and receipts were \$691 million. Comparable figures for 1961-62 were \$625 million and \$644 million respectively.

The transactions in the account during 1962-63 compared with those for 1961-62 were as follows:

	Fiscal year ended March 31	
	1963	1962
	(in millions of dollars)	
Pension payments.....	734	625
Tax receipts.....	691	644
Excess of receipts over payments applied in part to the repayment of temporary loans from the Minister of Finance, or excess of payments over receipts (-) covered in part by temporary loans from the Minister of Finance.....	-43	19
Balance in fund		2
Temporary loans outstanding at fiscal year-end	41	

Other loans, investments and working capital advances

Of the total non-budgetary receipts and credits, \$171 million was in respect of other loans, investments and working capital advances and of the total non-budgetary disbursements and charges, \$620 million was in respect of other loans, investments and working capital advances.

Exchange fund account

Net advances to the exchange fund account in 1962–63 were \$943 million compared with a net repayment of advances in 1961–62 of \$231 million.

Non-interest-bearing notes

There was an increase of \$385 million in these notes during 1962–63 compared with a decrease of \$12 million in 1961–62.

Insurance and pension accounts

Net receipts in these accounts amounted to \$472 million in 1962–63 as against \$257 million in 1961–62, an increase of \$215 million.

Unmatured debt transactions

Unmatured debt transactions in 1962–63 resulted in an increase of \$1,064 million in unmaturing debt outstanding in the hands of the public compared with an increase of \$895 million in 1961–62.

Cash position

The budgetary deficit of \$692 million plus non-budgetary requirements of \$772 million was financed by an increase of \$1,064 million in unmaturing debt outstanding in the hands of the public and a draw-down of \$400 million in Receiver General bank balances.

Debt position

As a result of these budgetary and non-budgetary transactions the gross public debt increased by \$1,892 million to \$24,799 million, net assets increased by \$1,200 million to \$10,879 million and net debt increased by \$692 million (equivalent to the budgetary deficit for the fiscal year) to \$13,920 million as at March 31, 1963.

THE GOVERNMENT OF CANADA

STATEMENT OF EXPENDITURE AND REVENUE

(with comparative figures for the previous fiscal year)

EXPENDITURE	Fiscal year ended	
	March 31, 1963	March 31, 1962
Agriculture	\$ 234,826,957	\$ 286,683,751
Atomic Energy.....	63,205,370	34,711,614
Auditor General's Office..	1,218,834	1,069,939
Board of Broadcast Governors	353,913	311,515
Canadian Broadcasting Corporation	80,815,947	78,160,805
Office of the Chief Electoral Officer..	11,815,352	366,474
Citizenship and Immigration	66,237,381	65,016,446
Civil Service Commission	4,792,379	4,738,709
Defence Production	28,837,778	23,929,926
External Affairs..	85,196,665	95,571,260
Finance—		
Public debt charges	917,787,239	838,986,401
Fiscal, tax-sharing, subsidy and other payments to provinces	275,302,387	541,182,624
Other expenditure	161,990,212	131,784,164
	<i>1,355,079,838</i>	<i>1,511,953,189</i>
Fisheries.....	23,292,700	23,097,882
Forestry.....	16,174,971	14,737,929
Governor General and Lieutenant-Governors.....	467,638	474,156
Insurance.....	1,422,120	1,358,022
Justice.....	34,531,655	32,580,184
Labour.....	348,235,508	168,884,756
Legislation.....	8,108,063	8,438,007
Mines and Technical Surveys.....	71,130,401	67,599,290
National Defence—		
Royal Canadian Navy.....	269,438,503	272,005,671
Canadian Army.....	443,163,371	442,414,649
Royal Canadian Air Force.....	713,884,440	781,421,960
Defence research and development.....	41,089,007	40,444,658
Other expenditure.....	107,278,340	89,817,374
	<i>1,574,853,661</i>	<i>1,626,104,312</i>
National Film Board.....	5,610,630	5,143,773
National Gallery.....	987,271	1,053,582
National Health and Welfare—		
Family allowances.....	531,566,349	520,781,193
Other expenditure.....	591,854,334	519,494,503
	<i>1,123,420,683</i>	<i>1,040,275,696</i>
National Research Council, including Medical Research Council	40,596,727	38,849,279
National Revenue....	78,607,667	75,330,063
Northern Affairs and National Resources...	87,563,579	79,367,605
Post Office.....	189,344,410	185,003,359
Privy Council	5,016,879	4,479,601
Public Archives and National Library	1,035,471	977,899
Public Printing and Stationery..	3,977,442	4,010,195
Public Works.....	171,384,711	188,813,326
Royal Canadian Mounted Police	65,424,359	60,497,037
Secretary of State	4,788,258	4,994,967
Trade and Commerce..	30,364,666	42,447,107
Transport	416,019,472	410,391,113
Veterans Affairs—		
Pensions	175,901,737	177,869,638
Other expenditure	159,700,712	155,353,268
	<i>335,602,449</i>	<i>333,222,906</i>
Total expenditure (see pages 18 to 21)...	6,570,341,805	6,520,645,674
Budgetary deficit.....	—691,632,927	—791,021,950
	<i>5,878,708,878</i>	<i>5,729,623,724</i>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

CANADA
FISCAL YEAR ENDED MARCH 31, 1963
 (preceding fiscal year)

REVENUE

Fiscal year ended
March 31, 1963 *March 31, 1962*

Tax revenues—		
Income tax—		
Personal ⁽¹⁾	\$ 1,744,626,029	\$ 1,792,655,915
Corporation ⁽¹⁾	1,182,836,979	1,202,053,695
On dividends, interest, etc., going abroad.....	129,137,372	112,305,709
Excise taxes—		
Sales tax ⁽¹⁾	805,970,471	759,677,970
Other.....	260,378,073	262,526,380
Customs duties.....	644,992,131	534,515,544
Excise duties.....	381,865,989	362,798,655
Estate tax ⁽²⁾	87,143,312	84,579,383
Miscellaneous.....	27,028	51,495
	<u>5,236,977,384</u>	<u>5,111,164,746</u>
Non-tax revenues—		
Return on investments (<i>see page 24</i>).....	311,860,829	307,502,187
Post Office—net postal revenue.....	192,771,815	183,678,937
Refunds of previous years' expenditure.....	22,392,490	18,162,831
Services and service fees.....	46,185,576	42,452,991
Proceeds from sales.....	26,531,005	25,901,810
Privileges, licences and permits.....	25,008,212	23,271,195
Bullion and coinage.....	9,404,342	7,965,169
Premium, discount and exchange.....	1,771,425	1,771,425
Miscellaneous.....	7,577,225	7,752,433
	<u>641,731,494</u>	<u>618,458,978</u>

⁽¹⁾Excluding tax credited to the old age security fund—

	<u>1962-63</u>	<u>1961-62</u>
Personal income tax.....	273,650,000	258,950,000
Corporation income tax.....	115,250,000	100,125,000
Sales tax.....	302,238,927	284,879,238

⁽²⁾Includes duties levied under the Dominion Succession Duty Act.

Total revenue (<i>see pages 22 and 23</i>).....	<u>5,878,708,878</u>	<u>5,729,623,724</u>
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STATEMENT OF ASSETS AND

(with comparative

ASSETS

	March 31, 1963	March 31, 1962
Current assets—		
Cash.....	\$ 511,347,154	\$ 895,321,334
Departmental working capital advances and revolving funds.....	243,267,010	223,379,565
Securities held for the securities investment account at amortized cost..	33,480,163	94,608,163
Other current assets.....	32,176,896	32,707,390
	820,271,223	1,246,016,452
Advances to the exchange fund account—(value of investments from advances on basis of closing exchange rates: March 31, 1963, \$2,757,046,289; March 31, 1962, \$1,759,690,147).....	2,736,000,000	1,793,000,000
Sinking fund and other investments held for retirement of unmatured debt....	22,311,845	19,432,331
Loans to, and investments in, Crown corporations (<i>see</i> page 25).....	4,468,119,368	3,985,329,459
Loans to national governments ..	1,210,776,466	1,339,796,827
Other loans and investments—		
Subscriptions to capital of, and working capital advances and loans to, international organizations.....	693,997,679	659,935,897
Loans to provincial governments.....	116,817,625	97,879,073
Veterans land act advances (less reserve for conditional benefits).....	196,018,731	177,355,101
Miscellaneous	103,820,344	58,693,017
	1,110,654,379	993,863,088
Securities held in trust.....	26,016,102	25,836,647
Deferred charges—		
Unamortized portions of actuarial deficiencies—		
Canadian forces superannuation account.....	524,849,000	326,300,000
Public service superannuation account.....	276,661,000	276,661,000
Royal Canadian Mounted Police superannuation account.....	3,533,000	3,533,000
Unamortized loan flotation costs ..	131,601,094	121,332,197
	936,644,094	727,826,197
Suspense accounts	136,101	136,101
Capital assets (<i>see</i> note 1 page 28).....	1	1
Inactive loans and investments.....	94,824,381	94,824,381
Total assets	11,425,753,960	10,226,061,484
Less: Reserve for losses on realization of assets.....	—546,384,065	—546,384,065
Net assets	10,879,369,895	9,679,677,419
Net debt, represented by excess of liabilities over net assets (<i>see</i> note 2 page 28).....	13,919,769,972	13,228,137,045
	24,799,139,867	22,907,814,464

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

ANADA

TIES AS AT MARCH 31, 1963

(March 31, 1962)

LIABILITIES

	<i>March 31, 1963</i>	<i>March 31, 1962</i>
Current and demand liabilities—		
Outstanding treasury cheques.....	\$ 266,408,863	\$ 265,658,447
Accounts payable (that portion paid in April of the next following fiscal year).....	267,364,119	280,711,177
Non-interest-bearing notes payable to the international monetary fund and the international development association.....	757,284,519	372,031,620
Matured debt outstanding.....	32,466,821	36,438,562
Interest due and outstanding.....	79,460,893	73,845,656
Interest accrued.....	196,973,991	174,601,049
Other current liabilities.....	31,379,226	30,794,396
	<i>1,631,338,432</i>	<i>1,234,080,907</i>
Deposit and trust accounts.....	225,202,751	266,624,103
Annuity, insurance and pension accounts (<i>see note 3 page 28</i>).....	4,747,016,868	4,245,941,809
Undisbursed balances of appropriations to special accounts.....	119,951,698	115,135,367
Deferred credits.....	107,739,147	94,991,098
Suspense accounts.....	6,054,640	5,305,046
Unmatured debt (<i>see page 26</i>)—		
Bonds (<i>see note 4 page 28</i>).....	15,796,836,331	15,060,736,134
Treasury bills.....	2,165,000,000	1,885,000,000
	<i>17,961,836,331</i>	<i>16,945,736,134</i>
Total liabilities.....	<u>24,799,139,867</u>	<u>22,907,814,464</u>

NOTE: The indirect or contingent liabilities of the Government of Canada, consisting of railway securities guaranteed as to principal and interest, \$1,381,361,480; other guarantees of \$5,352,844,627; together with certain indeterminate guarantees, are listed on page 27.

BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1963	1962
Budgetary transactions—		
Revenues.....	5,878.7	5,729.6
Expenditures.....	—6,570.3	—6,520.6
Budgetary deficit (—).....	—691.6	—791.0
Non-budgetary transactions (excluding unmatured debt transactions) (net)—		
Receipts and credits.....	1,134.1	444.7
Disbursements and charges.....	—1,906.4	—131.3
Net amount received from, or required for (—), non-budgetary transactions.....	—772.3	313.4
Overall cash requirement (—) to be financed by increase in debt or decrease in cash balances.....	—1,463.9	—477.6
Net increase in unmatured debt outstanding in the hands of the public—		
Unmatured debt—		
Bonds ⁽¹⁾	736.1	927.8
Treasury bills.....	280.0	—50.0
Securities investment account ⁽²⁾	50.5	19.1
Sinking fund and other investments.....	—2.9	—2.4
	1,063.7	894.5
Net increase or decrease (—) in Receiver General bank balances.....	—400.2	416.9

⁽¹⁾Includes a decrease of \$51 million in 1962–63 and an increase of \$63 million in 1961–62 in special non-marketable bonds issued to the Unemployment Insurance Commission.

⁽²⁾Excluding securities other than government issues.

NON-BUDGETARY RECEIPTS AND CREDITS

(in millions of dollars)

	Fiscal year ended March 31	
	1963	1962
Repayments of loans, investments and working capital advances (net)—		
Atomic Energy of Canada Limited.....	12.5	—4.9
Canadian Commercial Corporation.....	0.5	—3.0
Northern Canada Power Commission.....	7.2	0.3
Northern Ontario Pipe Line Crown Corporation.....	8.4	4.7
United Kingdom (1946 loan).....	17.5	17.1
Special loans to India and Ceylon (re purchase of wheat and flour from Canada).....	5.0	5.0
Other national governments (Export Credits Insurance Act).....	105.9	15.3
Unemployment insurance fund.....		67.0
Other.....	13.9	8.4
	170.9	109.9
Net government annuities account receipts—		
Premium receipts less payments to beneficiaries.....	—18.3	—9.8
Interest paid by government.....	47.4	46.0
	29.1	36.2
Net insurance and pension accounts receipts—		
Employee contributions less payments to beneficiaries.....	38.1	32.5
Government contributions.....	114.9	108.3
Actuarial deficiency in the Canadian forces superannuation account.....	198.5	
Actuarial deficiency in the Royal Canadian Mounted Police superannuation account.....		3.5
Interest paid by government.....	122.0	111.4
Old age security fund.....	—1.6	1.6
	471.9	257.3
Net increase in current and demand liabilities—		
Outstanding treasury cheques.....	0.7	13.9
Interest due and outstanding.....	5.6	7.1
Accrued interest.....	22.4	20.6
Non-interest-bearing notes payable to the international development association.....	5.3	7.4
Non-interest-bearing notes payable to the international monetary fund.....	380.0	—19.0
	414.0	30.0
Net increase in sundry liabilities—		
Deposit and trust accounts—miscellaneous.....	7.2	1.2
Undisbursed balances of appropriations—		
Colombo plan fund.....	7.7	10.1
National Capital Commission.....	3.2	0.8
National centennial fund.....	1.0	
Other.....	0.1	
Deferred credits—		
The St. Lawrence Seaway Authority—deferred interest.....	15.7	14.3
Northern Canada Power Commission—capitalized interest.....	0.4	1.1
Suspense accounts.....	1.1	—0.1
	36.4	27.4
Net decrease in sundry asset accounts—		
Moneys received after March 31 but applicable to the current year.....	1.2	—3.9
Securities investment account—Canadian Arsenals Limited pension fund.....	10.6	—12.2
	11.8	—16.1
	1,134.1	444.7

NON-BUDGETARY DISBURSEMENTS AND CHARGES

(in millions of dollars)

	Fiscal year ended March 31	
	1963	1962
Loans, investments and working capital advances (net)—		
Agricultural commodities stabilization account.....	6.2	42.6
Agricultural products board account.....	1.2	-4.9
Canadian National Railways (including Trans-Canada Air Lines).....	274.3	72.4
Canadian Overseas Telecommunication Corporation.....	11.4	6.2
Central Mortgage and Housing Corporation.....	101.8	190.3
Defence production revolving fund.....	11.8	11.6
Exchange fund account.....	943.0	-231.0
Export Credits Insurance Act (Sec. 21A).....	19.6	5.3
Farm Credit Corporation.....	59.0	54.2
Housing projects for Canadian forces.....	6.1	1.9
International organizations.....	34.1	28.8
National Capital Commission.....	9.4	6.2
National Harbours Board.....	13.8	6.0
Old age security fund.....	41.7	-17.3
Provincial governments.....	5.8	-0.5
Provincial tax collection agreements account.....	13.1	
Royal Canadian Mint.....	6.6	6.7
The St. Lawrence Seaway Authority.....	22.7	28.3
Veterans land act advances.....	18.6	11.3
Governments of Yukon and Northwest Territories.....	3.9	1.0
Other.....	0.3	3.0
	1,604.4	222.1
Net disbursements from sundry liability accounts—		
Current and demand liabilities—		
International monetary fund—revaluation of Canadian dollar balance.....		10.1
Accounts payable.....	13.3	-59.3
Other.....	3.5	-7.3
Deposit and trust accounts—		
Canadian Arsenals Limited pension fund.....	10.6	-12.2
Liability to United States of America.....		24.5
Provincial tax collection agreements account.....	38.0	-38.0
Annuity, insurance and pension accounts—		
Unemployment insurance fund—		
Uninvested funds on deposit with the government.....		3.0
Undisbursed balances of appropriations—		
Railway grade crossing fund.....	7.1	0.3
Deferred credits—		
Agreements of sale of Crown assets.....	2.1	1.2
Crown Assets Disposal Corporation.....	1.3	-2.3
Other.....		0.5
Suspense accounts—		
Replacement of materiel, Sec. 11, National Defence Act.....	0.3	3.2
	76.2	-76.3
Net increase in sundry asset accounts—		
Cash in hands of collectors and in transit.....	16.3	-8.3
Post Office—cash on hand and in transit.....	0.6	3.8
Unamortized portion of actuarial deficiency in the Canadian forces superannuation account.....	198.5	
Unamortized portion of actuarial deficiency in the Royal Canadian Mounted Police superannuation account.....		3.5
Unamortized loan flotation costs.....	10.3	-9.4
Securities held in trust.....	0.1	-4.2
	225.8	-14.6
Net increase in other accounts.....		0.1
	1,906.4	131.3

BUDGETARY EXPENDITURES CLASSIFIED BY FUNCTION

(in millions of dollars)

	Fiscal year ended March 31			
	1963		1962	
	Amount	Per cent	Amount	Per cent
Defence.....	1,603.7	24.4	1,650.0	25.3
Health, welfare and social security ⁽¹⁾	1,317.1	20.1	1,223.8	18.8
Public debt charges.....	917.8	14.0	839.0	12.9
Payments to provincial and municipal governments ⁽²⁾	308.0	4.7	567.0	8.7
Veterans affairs.....	335.6	5.1	333.2	5.1
Transportation and communications.....	751.2	11.4	756.5	11.6
Resources and industrial development.....	560.0	8.5	572.1	8.8
Education.....	250.1	3.8	67.9	1.0
International co-operation.....	63.2	1.0	76.1	1.2
General government.....	449.6	6.8	425.2	6.5
Unclassified.....	14.0	0.2	9.8	0.1
	6,570.3	100.0	6,520.6	100.0

⁽¹⁾Pension payments out of the old age security fund are not included.

⁽²⁾Does not include those payments made to provincial and municipal governments for specific purposes.

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

	Department	Civil salaries and wages	Civilian allowances	Pay and allowances, Defence Forces and R.C.M. Police	Professional and special services	Travelling and removal expenses
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	Agriculture.....	48,947,791	202,043		2,199,678	3,099,106
2	Atomic Energy.....	106,349			1,408	8,954
3	Auditor General's Office.....	1,127,661				75,097
4	Board of Broadcast Governors.....	263,120	30,000		11,797	29,410
5	Canadian Broadcasting Corporation...					
6	Office of the Chief Electoral Officer.....	284,174			9,839	793
7	Citizenship and Immigration.....	22,045,743	946,840		9,124,689	1,292,481
8	Civil Service Commission.....	4,086,122			45,853	152,865
9	Defence Production.....	9,160,142	211,562		109,244	289,872
10	External Affairs.....	10,954,615	4,389,380		177,139	1,917,964
11	Finance.....	22,628,074	84,722		85,877	261,949
12	Fisheries.....	11,609,419	249,244		105,417	856,314
13	Forestry.....	6,213,022	3,417		61,948	381,830
14	Governor General and Lieutenant-Governors	231,193	216,085			7,187
15	Insurance.....	663,986			5,000	19,159
16	Justice.....	7,485,690	16,939		451,703	352,432
17	Office of the Commissioner of Penitentiaries.....	13,693,049			493,524	82,248
18	Labour.....	45,515,203	55,483		2,134,628	1,041,730
19	Legislation.....	6,161,922	738,238		6,846	53,309
20	Mines and Technical Surveys.....	18,245,670	167,606		1,718,402	979,471
21	National Defence.....	193,563,590	1,866,681	545,301,863	38,275,150	39,855,722
22	National Film Board					
23	National Gallery of Canada.....	348,066			131,893	24,695
24	National Health and Welfare.....	22,797,940	979,316		7,913,369	1,046,157
25	National Research Council, including Medical Research Council.....	19,143,446	71,507		685,504	396,743
26	National Revenue.....	72,189,815	110,415		823,230	1,920,699
27	Northern Affairs and National Resources.....	16,704,179	1,236,851		2,028,201	1,092,520
28	Post Office.....	118,069,133	828,890		69,433	425,109
29	Privy Council.....	1,235,399	2,000		97,571	40,157
30	Public Archives and National Library.....	851,053	2,175		42,538	4,998
31	Public Printing and Stationery.....	2,016,431			2,065	12,917
32	Public Works.....	31,675,995	248,929		2,195,276	616,398
33	Royal Canadian Mounted Police.....	4,484,711	24,358	38,605,343	1,290,562	2,252,173
34	Secretary of State.....	4,135,705	1,817		38,218	4,079
35	Trade and Commerce.....	19,217,234	1,415,099		911,375	1,122,141
36	Transport—					
37	Department.....	73,524,128	1,976,011		6,454,719	2,734,454
38	Canadian Maritime Commission.....	162,937				9,736
39	National Harbours Board					
40	Veterans Affairs.....	54,822,508	61,917		13,428,003	888,194
		864,365,215	16,137,525	583,907,206	91,130,099	63,349,063

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1963

Freight, express and cartage	Postage	Telephones, telegrams and other communication services	Publication of depart- mental reports and other material	Exhibits, advertising, films, broadcasting and displays	Office stationery, supplies, equipment and furnishings	Materials and supplies	
(6)	(7)	(8)	(9)	(10)	(11)	(12)	
\$	\$	\$	\$	\$	\$	\$	
200,633	109,757	355,875	296,510	67,580	985,801	3,403,506	1
	683	1,794	642		2,636		2
95	200	1,598	7,100		6,823		3
79	125	4,569			11,146		4
				1,770,791			5
					1,381		6
101,179	160,926	274,438	105,781	126,637	389,081	7,718,019	7
6,408	22,861	30,979	12,241	210,230	149,026		8
12,336	57,392	172,921	1,186		252,870		9
99,268	180,899	1,936,484	108,894	35,713	675,651	234,600	10
221,021	2,147,895	1,829,805	127,925		1,822,378	142,419	11
56,167	35,422	135,552	111,702	68,510	175,048	1,679,032	12
9,505	7,843	38,877	100,814	33,583	153,908	302,763	13
	796	3,792		450	6,593	361	14
341	391	2,185	100,950		14,147		15
2,008	4,151	33,559	17,306		113,210	194	16
23,443	15,806	36,787	4,788	18,593	126,968	4,247,513	17
126,591	1,066,793	679,586	210,965	601,147	1,215,951	48,761	18
4,346	1,299	1,408	730,638		182,577	57,697	19
246,004	15,328	48,758	236,396	32,857	356,509	2,922,918	20
6,005,918	760,141	15,503,852	2,611,487	706,193	6,064,729	115,368,731	21
				5,413,100			22
1,760	400	3,191	41,763	114,640	29,297	41,158	23
186,618	103,723	199,852	271,404	103,029	406,194	5,961,288	24
50,337	32,436	47,605	571,343	63,618	735,201	4,378,936	25
195,028	888,004	402,994	85,195	15,933	1,900,640	717,396	26
1,244,149	30,635	205,101	124,328	109,009	284,469	3,781,583	27
65,536		170,122	96,107	270,232	802,988	3,555,905	28
1,475	2,284	24,587	185,982	91,478	41,421	7,458	29
464	447	389	29,616		67,117	2,197	30
147,015	45,435	7,385	1,209,656	51,809	530,735	33,299	31
338,607	31,235	207,000	10,826	44,384	2,139,166	4,560,301	32
206,708	131,444	386,123	19,968	4,547	443,703	3,395,547	33
1,373	6,300	3,552	450,884		97,013	162	34
351,140	134,769	223,208	989,747	3,216,494	1,190,677	85,831	35
							36
1,146,239	113,203	5,950,229	145,184	17,814	1,319,534	8,378,767	37
		3,906	1,496	570	5,625		38
							39
67,315	173,813	348,525	14,470	37,438	400,931	9,152,008	40
11,119,106	6,282,836	29,276,588	9,033,294	13,226,379	23,101,144	180,178,350	

Continued

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

	Department	Buildings and works, including land			Equipment		
		Con- struction or acquisition	Repairs and upkeep	Rentals	Con- struction or acquisition	Repairs and upkeep	Rentals
		(13)	(14)	(15)	(16)	(17)	(18)
		\$	\$	\$	\$	\$	\$
1	Agriculture.....	22,165,456	1,793,496	283,424	2,228,474	879,389	44,397
2	Atomic Energy.....	7,117,500		10,318	1,313,000		
3	Auditor General's Office.....						
4	Board of Broadcast Governors.....						
5	Canadian Broadcasting Corporation.....						
6	Office of the Chief Electoral Officer.....						
7	Citizenship and Immigration.....	8,428,721	2,023,257	166,567	915,746	184,261	
8	Civil Service Commission.....			8,049			
9	Defence Production.....	7,464		2,105	538,015		
10	External Affairs.....	581,226	248,927	889,679	681,665	195,616	1,939
11	Finance.....			3,100	62,165	45,542	
12	Fisheries.....	1,138,466	250,778	36,083	2,459,348	573,632	657,714
13	Forestry.....	235,908	41,218	5,162	425,622	121,496	25,543
14	Governor General and Lieutenant-Governors						
15	Insurance						
16	Justice.....					283	
17	Office of the Commissioner of Penitentiaries.....	3,249,327	175,788	5,810	1,191,566	199,951	1,229
18	Labour.....			1,567	3,807	4,914	
19	Legislation.....					163	
20	Mines and Technical Surveys.....	969,633	33,061	12,900	6,645,700	684,894	2,149,621
21	National Defence.....	78,239,320	31,953,091	6,454,674	243,049,629	130,873,922	64,099
22	National Film Board.....				197,530		
23	National Gallery of Canada.....				25,554	774	
24	National Health and Welfare.....	1,256,656	267,213	88,513	744,576	145,664	941
25	National Research Council, including Medical Research Council.....	1,927,486	298,686		638,366	330,056	
26	National Revenue.....	167,718	105,938	23,216	25,833	12,785	
27	Northern Affairs and National Resources.....	34,775,116	1,756,981	69,883	2,282,767	785,100	504,347
28	Post Office.....			9,810	1,107,654	259,608	113,451
29	Privy Council.....	293,934			463,272	10,354	
30	Public Archives and National Library				6,417	1,182	
31	Public Printing and Stationery.....				79,915	33,950	
32	Public Works.....	53,842,425	9,027,516	7,936,146	1,288,932	671,960	127,232
33	Royal Canadian Mounted Police.....	1,302,344	363,942	596,582	1,917,669	1,517,939	104,287
34	Secretary of State.....					143	
35	Trade and Commerce.....	62,437	18,342	355,531	140,795	12,331	4,919
36	Transport—						
37	Department.....	67,696,533	3,124,910	210,113	15,699,170	6,087,726	2,795,419
38	Canadian Maritime Commission.....						
39	National Harbours Board.....	4,519,540			674,539		
40	Veterans Affairs.....	1,359,449	743,660		822,411	270,700	
		289,336,659	52,226,804	17,169,232	285,630,137	143,904,335	6,595,138

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1963

Municipal or public utility services	Con- tributions, grants, subsidies, etc., not included elsewhere	Pensions, super- annuation and other benefits	All other expendi- tures (other than special categories 23-33)	Special categories	Total standard objects and special categories	Less expenditure recovered	Net total expenditure	
(19)	(20)	(21)	(22)	(23)-(33)	(1)-(33)	(34)		
\$	\$	\$	\$	\$	\$	\$	\$	
781,952	146,923,377	19,953	273,215		235,261,413	434,456	234,826,957	1
	770,000		(1)53,872,086		63,205,370		63,205,370	2
			260		1,218,834		1,218,834	3
			3,667		353,913		353,913	4
	79,045,156				80,815,947		80,815,947	5
			11,519,165		11,815,352		11,815,352	6
259,291	2,977,061	31,614	8,965,049		66,237,381		66,237,381	7
	1,189		66,556		4,792,379		4,792,379	8
130,012			17,892,657		28,837,778		28,837,778	9
341,899	61,234,627	86,925	264,160		85,237,270	40,605	85,196,665	10
29,247,998	26,646,000	64,642,724	12,206,845	(2)1,193,089,626	1,355,296,065	216,227	1,355,079,838	11
117,053	1,454,309	15,118	1,771,805		23,556,133	263,433	23,292,700	12
71,680	7,916,638	3,151	21,043		16,174,971		16,174,971	13
		1	1,180		467,638		467,638	14
			615,961		1,422,120		1,422,120	15
6,259	192,700	1,085,881	40,605		9,802,920		9,802,920	16
308,969		2,400	850,976		24,728,735		24,728,735	17
3,161	235,475,048	2,224,209	539,948	(3)57,286,016	348,235,508		348,235,508	18
	39,543	100,037	30,040		8,108,063		8,108,063	19
40,623	35,609,161	13,955	91,008		71,220,475	90,074	71,130,401	20
20,905,092	32,468,544	67,537,241	11,719,858		1,589,149,527	14,295,866	1,574,853,661	21
					5,610,630		5,610,630	22
	11,932	12	212,136		987,271		987,271	23
411,282	1,416,194		1,414,439	(4)1,077,706,315	1,123,420,683		1,123,420,683	24
514,470	15,303,729		114,671		45,304,140	4,707,413	40,596,727	25
45,160		4,655	18,125		79,652,779	1,045,112	78,607,667	26
1,541,682	19,575,818	50,999	960,846		89,144,564	1,580,985	87,563,579	27
5,387	24,877	142,824	15,524	(5)63,311,820	189,344,410		189,344,410	28
387	1,000,000		1,519,120		5,016,879		5,016,879	29
			76,795		1,085,388	49,917	1,035,471	30
865		200	10,185		4,181,862	204,420	3,977,442	31
5,454,467	4,291,369	12,679	17,563,892	(6)29,210,258	171,494,993	110,282	171,384,711	32
517,181	14,110	6,303,252	1,541,866		65,424,359		65,424,359	33
			49,012		4,788,258		4,788,258	34
32,253	83,919	28,070	768,354		30,364,666		30,364,666	35
								36
2,984,436	109,819,613	222,630	6,294,057	(7)64,175,179	380,870,068	1,012,492	379,857,576	37
	30,782,539		1,008		30,967,817		30,967,817	38
					5,194,079		5,194,079	39
603,896	1,804,954	50,874	2,912,480	(8)269,045,516	357,009,062	21,406,613	335,602,449	40
64,325,455	814,882,407	142,579,404	154,218,594	2,753,824,730	6,615,799,700	45,457,895	6,570,341,805	

(1)This item (22) includes \$28,631,222 in respect of the Atomic Energy of Canada Limited research program.
(2)Interest on public debt, etc. (23) \$917,787,239; subsidies and special payments to provinces (24) \$275,302,387.
(3)Government's contribution to the unemployment insurance fund (29) \$57,286,016.
(4)Family allowances payments (25) \$531,566,349; old age assistance, blind persons allowances, disabled persons allowances and unemployment assistance (26) \$159,171,825; hospital insurance and general health grants (30) \$386,968,141.
(5)Movement of mail by land, air and water (32) \$63,311,820.
(6)Trans-Canada highway contributions (31) \$29,210,258.
(7)Deficits—government-owned enterprises (33) \$64,175,179.
(8)Veterans disability pensions, etc. (27) \$175,901,737; other payments to veterans and dependents (28) \$93,143,779.

SUMMARY OF REVENUE BY MAIN CLASSIFICATIONS AND

	Department	Tax revenues	Return on investments	Bullion and coinage	Postal revenue
		\$	\$	\$	\$
1	Agriculture.....		167,077		
2	Atomic Energy		216,809		
3	Auditor General's Office				
4	Board of Broadcast Governors.....				
5	Canadian Broadcasting Corporation.....				
6	Office of the Chief Electoral Officer.....				
7	Citizenship and Immigration		35,923		
8	Civil Service Commission.....				
9	Defence Production.....		3,652,107		
10	External Affairs.....		1,171,959		
11	Finance.....		210,474,267	9,404,342	
12	Fisheries.....		489,605		
13	Forestry.....				
14	Insurance.....	24,889			
15	Justice.....				
16	Office of the Commissioner of Penitentiaries		165,742		
17	Labour.....		4,104		
18	Legislation.....				
19	Mines and Technical Surveys.....		345,518		
20	National Defence.....		504,457		
21	National Film Board.....				
22	National Gallery of Canada				
23	National Health and Welfare.....				
24	National Research Council, including Medi- cal Research Council		27		
25	National Revenue.....	5,236,950,356	1,428		
26	Northern Affairs and National Resources.....	2,139	232,553		
27	Post Office.....		2,945		192,771,815
28	Privy Council.....				
29	Public Archives and National Library.....		4,738		
30	Public Printing and Stationery.....				
31	Public Works.....		79,925,187		
32	Royal Canadian Mounted Police.....		9,696		
33	Secretary of State				
34	Trade and Commerce.....		7,667,476		
35	Transport.....		215,991		
36	Veterans Affairs.....		6,573,220		
		5,236,977,384	311,860,829	9,404,342	192,771,815

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1963

Privileges, licences and permits	Proceeds from sales	Services and service fees	Refunds of previous years' expenditure	Miscellaneous	Total	
\$	\$	\$	\$	\$	\$	
1,249,324	1,162,499	5,866,819	94,483	25,882	8,566,084	1
					216,809	2
		7,524		80	7,604	3
			483	80	563	4
16,447	625		209,345		226,417	5
				92,821	92,821	6
973,002	59,370	103,657	141,866	233,181	1,546,999	7
		27	29		56	8
4,060	10,572,719	178,515	111,285	11,448	14,530,134	9
903,449	23,325	10,596	140,814	17,452	2,267,595	10
	169	336,596	5,723,721	376,552	226,315,647	11
115,671	116,824	33,197	24,929	63,945	844,171	12
85,919	108,112	7,656	25,498	565	227,750	13
		767,652	1	42	792,584	14
10,445	1,573	354,571	707	319,965	687,261	15
57,558	528,433		26,099	198	778,030	16
	1,003	1,530	528,711	605,670	1,141,018	17
73,735		843	573	3,375	78,526	18
26,804	288,281	15,125	129,656	299,754	1,105,138	19
1,772,109	5,130,560	2,493,860	8,782,727	2,134,806	20,818,519	20
			50,424		50,424	21
			475	45	520	22
337,872	154,335	4,271,084	810,789	59,608	5,633,688	23
			22,557	384	22,968	24
214,407	64,839	302,548	3,274	1,179,842	5,238,716,694	25
3,983,381	697,018	485,504	463,880	109,107	5,973,582	26
	21,277		11,319	23,503	192,830,859	27
			508	5,000	5,508	28
		5,520	2,762	69	13,089	29
100,056	1,514,711		857	44,853	1,660,477	30
1,826,951	4,920,764	446,580	797,654	941,205	88,858,341	31
744,992	552,920	12,779,341	233,573	123,282	14,443,804	32
2,463,729		346,107	23,985	1,022	2,834,843	33
19,361	2,180	2,152,923	1,254,209	596,323	11,692,472	34
9,990,800	534,378	15,217,801	762,741	195,487	26,917,198	35
38,140	75,090		2,012,556	111,679	8,810,685	36
25,008,212	26,531,005	46,185,576	22,392,490	7,577,225	5,878,708,878	

RETURN ON INVESTMENTS

	Fiscal year ended March 31	
	1963	1962
Loans to, and investments in, Crown corporations—		
Bank of Canada—profits.....	\$ 96,680,128	\$107,692,994
Canadian National Railways.....	3,824,145	1,451,944
Canadian National (West Indies) Steamships Limited.....		1,200,000
Canadian Overseas Telecommunication Corporation.....	1,971,301	1,516,046
Central Mortgage and Housing Corporation.....	79,925,187	71,754,311
Eldorado Mining and Refining Limited.....	3,000,000	5,000,000
Farm Credit Corporation.....	8,482,490	5,961,556
National Capital Commission.....	1,776,142	1,505,458
National Harbours Board.....	3,555,066	3,865,398
Northern Canada Power Commission.....	1,695,542	870,638
Northern Ontario Pipe Line Crown Corporation.....	4,086,613	4,310,142
Polymer Corporation.....	3,000,000	3,000,000
Miscellaneous.....	352,032	358,309
	208,348,646	208,486,796
Other loans and investments—		
United Kingdom.....	21,489,305	21,830,874
Other national governments.....	8,361,401	8,993,982
Provincial governments.....	1,523,999	1,694,716
Soldier and general land settlement loans and veterans land act advances.....	6,548,882	6,003,705
Exchange fund account.....	35,227,058	32,606,482
Purchase fund account.....	10,361,881	9,340,083
Securities investment account.....	1,990,907	5,727,831
Sinking fund and other investments held for the retirement of unmatured debt.....	712,403	680,842
Interest-bearing deposits with chartered banks.....	14,394,671	6,393,858
Unemployment Insurance Commission.....		2,961,120
Miscellaneous.....	2,901,676	2,781,898
	103,512,183	99,015,391
	311,860,829	307,502,187

GOVERNMENT OF CANADA EQUITY IN CROWN CORPORATIONS AS AT MARCH 31, 1963

Corporation	Recorded government equity	Unrecorded government equity	Total government equity
Agency—			
Atomic Energy of Canada Limited.....	\$ 53,258,320	\$ 2,902,714	\$ (1)56,161,034
Canadian Arsenals Limited.....	*9,750,000	30	9,750,030
Canadian Commercial Corporation.....	9,500,000	399,177	9,899,177
Canadian National (West Indies) Steamships Limited.....	325,000	142,537	467,537
Canadian Patents and Development Limited.....	296,199	523,561	819,760
Crown Assets Disposal Corporation.....		100,000	100,000
Defence Construction (1951) Limited.....		30	30
The National Battlefields Commission.....		17,243	17,243
National Capital Commission.....	40,906,111		40,906,111
National Harbours Board.....	192,579,474	217,052,274	(2)409,631,748
Northern Canada Power Commission.....	19,003,196	2,705,642	(3)21,708,838
Park Steamship Company Limited.....		5,287	5,287
	325,618,300	223,848,495	549,466,795
Proprietary—			
Canadian Broadcasting Corporation.....	3,000,000	6,000,000	9,000,000
Canadian National Railways.....	(4)1,440,091,343	815,875,632	(5)2,255,966,975
Canadian Overseas Telecommunication Corporation.....	49,320,747	8,599,652	(6)57,920,399
Central Mortgage and Housing Corporation.....	1,802,806,097	64,525,002	(7)1,867,331,099
Cornwall International Bridge Company Limited.....		-1,112	-1,112
Eldorado Aviation Limited.....		227,683	227,683
Eldorado Mining and Refining Limited.....	8,246,877	43,681,986	(8)51,928,863
Export Credits Insurance Corporation.....	34,954,896	7,895,599	(9)42,850,495
Farm Credit Corporation.....	268,968,099	1,670,563	270,638,662
Northern Transportation Company Limited.....		6,007,316	6,007,316
Polymer Corporation.....	30,000,000	52,564,839	(10)82,564,839
The St. Lawrence Seaway Authority.....	390,888,009	-34,591,516	356,296,493
Trans-Canada Air Lines.....		8,816,596	8,816,596
	4,028,276,068	981,272,240	5,009,548,308
Other—			
Bank of Canada.....	5,920,000	25,000,000	(11)30,920,000
Industrial Development Bank.....		15,925,486	15,925,486
Northern Ontario Pipe Line Crown Corporation.....	110,555,000	483,101	111,038,101
	116,475,000	41,408,587	157,883,587
	4,470,369,368	1,246,529,322	5,716,898,690
Loans to, and investments in, Crown corporations, as per state- ment of assets and liabilities.....	4,468,119,368		
* advanced from Department of Defence Production revolving fund, recorded in "Departmental working capital advances and revolving funds".....	2,250,000		
	4,470,369,368		

Unrecorded government equity represents the surpluses (less deficits), reserves, etc., of the Crown corporations based on the financial reports of the corporations at their respective years ended coincident with, or immediately prior to, the fiscal year ended March 31, 1963.

The Government of Canada equity in Crown corporations, as computed, excludes those amounts, which, although designated by certain Crown corporations as proprietor's equity, have been financed by the Government of Canada and charged to government expenditures, and have been fully expended in the acquisition of the Crown corporation's capital assets.

(1) Including accrued interest, \$450,231.

(2) Including non-active loans charged to Net Debt, \$119,084,493.

(3) Including accrued interest, \$6,713.

(4) Including advances to Trans-Canada Air Lines re income deficits, \$4,595,577 and loans with respect to Yarmouth-Bar Harbour ferry service, \$763,684.

(5) Including Canadian National Railways no par value capital stock and investment in Canadian Government Railways charged to Net Debt, \$800,875,632.

(6) Including accumulated tax reduction applicable to future years, \$973,851.

(7) Including accrued interest, \$13,512,537.

(8) Including premium on acquisition of capital stock, \$1,660,797.

(9) Including accrued interest, \$505,893.

(10) Including deferred income tax, \$3,460,000.

(11) Including premium on acquisition of capital stock, \$920,000.

UNMATURED DEBT INCLUDING TREASURY BILLS OF CANADA ON MARCH 31, 1963

		Date of maturity	Rate per cent	Amount of loan
PAYABLE IN CANADA—				\$
<i>Bonds—</i>				
Loan of 1960.....	T 37	1963 Apr. 1	5½	12,802,000
Loan of 1962.....	AT10	Apr. 1	2½	300,000,000
Loan of 1961 and 1962.....	AT 7	June 1	2½	275,000,000
Canada savings bonds 1952.....	S 7	Aug. 1	3½	19,203,050
Eighth victory loan.....	P 5	Oct. 1	3	223,020,200
Loan of 1960.....	T 42	Dec. 15	4	300,000,000
Loan of 1963.....	AT18	1964 Feb. 1	3½	125,000,000
Loan of 1961.....	AT 1	May 1	4	360,000,000
Loan of 1961.....	AT 8	Oct. 1	3½	250,000,000
Loan of 1961.....	AT 5	Dec. 1	4	240,000,000
Loan of 1962.....	AT17	1965 Feb. 1	3½	350,000,000
Loan of 1962.....	AT15	Apr. 1	4½	50,000,000
Conversion loan of 1958.....	T 27	Sept. 1	3½	1,265,890,600
Canada savings bonds 1953.....	S 8	Nov. 1	3½	64,399,400
Loan of 1963.....	AT19	1966 Feb. 1	3½	225,000,000
Ninth victory loan.....	P 7	Sept. 1	3	245,202,200
Canada savings bonds 1954.....	S 9	Nov. 1	3½	39,400,150
Loan of 1961.....	AT 6	Dec. 15	4½	175,000,000
Loan of 1961.....	AT 9	1967 June 1	4½	100,000,000
Loan of 1962.....	AT12	Oct. 1	3½	100,000,000
Canada savings bonds 1955.....	S 10	Nov. 1	3½	37,963,800
Loan of 1962.....	AT11	1968 Jan. 15	4½	250,000,000
Refunding loan of 1950.....	P 9	June 15	2½	308,581,000
Canada savings bonds 1959.....	S 14	Nov. 1	5	1,028,554,750
Loan of 1962.....	AT16	1969 Apr. 1	5½	100,000,000
Loan of 1960.....	T 39	Apr. 1	5½	80,000,000
Canada savings bonds 1956.....	S 11	May 1	4	66,215,950
Loan of 1962.....	AT13	Oct. 1	5½	80,000,000
Loan of 1958.....	T 24	1970 May 1	3½	200,000,000
Canada savings bonds 1957.....	S 12	Nov. 1	4½	503,900,350
Canada savings bonds 1960.....	S 15	Nov. 1	4½	513,630,100
Canada savings bonds 1961.....	S 16	1971 Nov. 1	4½	514,276,500
Conversion loan of 1958.....	T 28	1972 Sept. 1	4½	1,267,203,100
Canada savings bonds 1958.....	S 13	1973 Nov. 1	4½	160,807,200
Loan of 1959.....	T 36	1975 Oct. 1	5½	310,361,000
Loan of 1960.....	T 38	1976 Apr. 1	5½	436,198,000
Loan of 1954.....	T 11	June 1	3½	247,046,500
Canada savings bonds 1962.....	S 17	Nov. 1	4½	1,633,808,950
Loan of 1953 and 1958.....	T 5	1978 Jan. 15	3½	207,911,500
Loan of 1954.....	T 13	1979 Oct. 1	3½	343,246,500
Loan of 1962.....	AT14	1980 Aug. 1	5½	120,000,000
Conversion loan of 1958.....	T 29	1983 Sept. 1	4½	1,992,679,450
Conversion loan of 1956.....	T 15	1998 Mar. 15	3½	197,045,000
Loan of 1936.....	P 1	Perpetual	3	55,000,000
Special non-marketable bonds (Unemployment Insurance Commission).....			5½	11,500,000
<i>Treasury Bills—</i>			various	15,385,847,250
				2,165,000,000
				17,550,847,250
PAYABLE IN LONDON—				
<i>Bonds—</i>				
Loan of 1933 and 1934.....		1963 July 1	3	32,445,301
Loan of 1938.....		July 1	3½	2,138,751
				34,584,052
PAYABLE IN NEW YORK—				
<i>Bonds—</i>				
Loan of 1949.....		1974 Sept. 1	2½	65,087,502
Loan of 1950.....		1975 Sept. 15	2½	41,047,527
Loan of 1962.....		1987 Oct. 15	5	270,270,000
				376,405,029
				17,961,836,331

Where various rates of interest are applicable during the term of a loan the interest rate in effect at March 31, 1963 has been shown. Bonds payable in London have been converted at the official parity rate of £ 1 = \$3.027 CAN. and bonds payable in New York at the official parity rate of \$1 U.S. = \$1.08108 CAN.

SUMMARY OF INDIRECT DEBT OR CONTINGENT LIABILITIES

	Amount outstanding March 31	
	1963	1962
Canadian National Railways securities guaranteed as to principal and interest..	\$1,381,361,480	\$1,636,114,790
Other guarantees—		
Insured loans made by approved lenders under National Housing Act, 1954 ⁽¹⁾	4,123,000,000	3,640,000,000
Loans made by lenders under Part IV of the National Housing Act, 1954 for home extensions and improvements ⁽²⁾	12,976,000	11,300,000
Chartered bank deposits in Bank of Canada.....	741,869,671	696,007,777
Export Credits Insurance Act.....	333,645,786	291,700,000
Bank loans to Canadian Wheat Board.....	80,331,172	113,555,146
Bank loans under Farm Improvement Loans Act.....	47,966,702	43,450,757
Bank loans under the Prairie Grain Advance Payments Act.....	7,245,127	8,672,245
Bank loans under the Small Businesses Loans Act.....	5,564,559	2,558,227
Sundry other guarantees (excluding indeterminate amounts ⁽³⁾)	245,610	303,323
	6,734,206,107	6,443,662,265

These contingent liabilities are expressed in Canadian dollars; bonds payable in United States dollars are converted at the rate of \$1 U.S. = \$1.08108 CAN.

⁽¹⁾As reported (in accordance with section 45 of the National Housing Loan Regulations) by approved lenders for their respective fiscal years ended between October 31 and December 31.

⁽²⁾As at December 31 within the fiscal year.

⁽³⁾Loans maintained by approved lending institutions under National Housing Acts prior to 1954 Act; and guarantees to owners of returns from moderate rental housing projects, in respect of which funds totalling \$3.9 million are held by Central Mortgage and Housing Corporation for the purpose of settling claims and in respect of which rental guarantee contracts totalled \$15 million in 1962.

EXPLANATORY NOTES

The Government's financial statements and general system of accounting differ from normally accepted commercial accounting practices. The particular aspects and significant features of these differences are more fully explained in the annual Public Accounts as tabled in the House of Commons by the Minister of Finance.

The Government's accounts are maintained on a "cash" basis in order to serve the requirements of Parliament and more particularly to ensure effective control by that body over public moneys. However, there is provision in the Financial Administration Act to permit the inclusion in the fiscal year of expenditures relating thereto which on a pure cash basis would be excluded. As an example liabilities under contracts and other accounts payable at March 31, for which cheques are issued during the month of April, are charged to expenditures in the old year and appear as current liabilities on the statement of assets and liabilities; also, loan discounts and commissions are set up as deferred charges to be amortized over the term of the loan and provision has been made for a reserve for possible losses on realization of assets. Revenues are reported on a cash basis. Consequently taxes assessed and due, other revenues receivable or accrued and other asset accruals and inventories of materials, supplies and equipment are not recorded as assets (except when these are held as charges against working capital accounts or revolving funds) nor are public works and buildings or other fixed or capital assets. Interest payable on public debt is accrued monthly but interest receivable is not accrued and is only taken to account when actually received. It should also be noted that capital works and equipment are recorded at a nominal value of \$1 as they are not considered a proper offset to the gross liabilities in determining the net debt of Canada and their costs of acquisition or construction are charged to expenditures. Furthermore, the statement of assets and liabilities, in accordance with section 64 of the Financial Administration Act, includes such of the assets and liabilities of Canada as in the opinion of the Minister of Finance are required to show the financial position of Canada at the termination of the fiscal year.

There are certain other requirements and minor variations, details of which, along with additional information and specific items in the Statement of Assets and Liabilities, are more fully explained in the annual Public Accounts.

1. Capital assets appearing on the Statement of Assets and Liabilities at a nominal value of \$1 comprise such capital assets of the Government as land, buildings, works, equipment, etc., which in accordance with long standing practice are charged to budgetary expenditures at the time of acquisition or construction.

2. The increase in net debt reflects the budgetary deficit of \$691,632,927 for the fiscal year ended March 31, 1963. The net debt of Canada, represented by the excess of liabilities over the recorded net assets, is, in effect, the accumulated deficit since Confederation.

3. The liability in respect of annuity, insurance and pension accounts does not include any provisions for additional liabilities, resulting from salary and pay increases, subsequent to December 31, 1957 for the public service superannuation account, December 31, 1960 for the Canadian forces superannuation account and December 31, 1961 for the Royal Canadian Mounted Police superannuation account. These additional liabilities will be included in the next quinquennial actuarial valuations to be made as at December 31, 1962 for the public service superannuation account, December 31, 1964 for the Royal Canadian Mounted Police superannuation account and December 31, 1965 for the Canadian forces superannuation account.

4. Unmatured debt includes bonds payable in London in the amount of £11,425,190 converted at the official parity rate of £1=\$3.027 CAN. and bonds payable in New York in the amount of \$348,175,000 U.S. converted at the official parity rate of \$1 U.S.=\$1.08108 CAN.

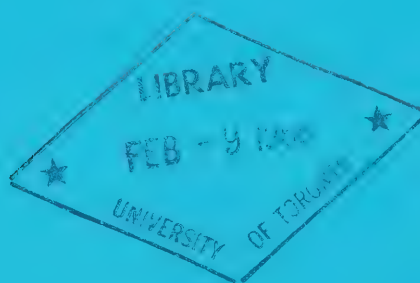


PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1964



Abridged Report



ISSUED BY THE DEPARTMENT OF FINANCE



PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1964



Abridged Report

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1964

foreword by THE MINISTER OF FINANCE

The Financial Administration Act requires that an annual report, called the Public Accounts, shall be laid before the House of Commons by the Minister of Finance on or before the 31st day of December, or if Parliament is then not in session, within fifteen days after the commencement of the next ensuing session.

The accounts of Canada are audited by the Auditor General of Canada, and his statutory certificates, as required under the Financial Administration Act, are included in the Public Accounts laid before the House of Commons.

The customary report will be presented in the usual way. However, this abridged version is presented in the belief that a wider distribution of the data contained herein may prove of value to those who desire information, in summary form, of the more significant aspects of government financial transactions during the fiscal year ended March 31, 1964.

WALTER L. GORDON,
Minister of Finance.

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HIGHLIGHTS OF THE GOVERNMENT'S FINANCIAL OPERATIONS

DURING 1963-64

This section outlines the financial operations of the government giving a brief summary of the budgetary and non-budgetary transactions, the unmatured debt transactions and the change in the cash position during 1963-64 and the debt position as at March 31, 1964.

The following table summarizes the budgetary and non-budgetary transactions for 1963-64 with comparative figures for 1962-63 and indicates how these transactions affected the government's cash balances.

SUMMARY OF BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1964	1963
Budgetary transactions—		
Revenue—		
Tax.....	5,533	5,237
Non-tax.....	720	641
	6,253	5,878
Expenditure—		
Defence.....	1,723	1,600
Non-defence.....	5,149	4,970
	6,872	6,570
Deficit (—).....	— 619	— 692
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits—		
Repayment of advances to the exchange fund account.....	135	
Repayment of other loans, investments and working capital advances.....	262	171
Increase in non-interest-bearing notes payable on demand.....		385
Net government annuities account receipts.....	20	29
Net insurance and pension accounts receipts.....	364	472
Other non-budgetary receipts.....	198	77
	979	1,134
Disbursements and charges—		
Temporary loans to old age security fund.....	58	42
Decrease in non-interest-bearing notes payable on demand.....	170	
Other loans, investments and working capital advances.....	319	620
Advances to the exchange fund account.....		943
Other non-budgetary disbursements.....	95	301
	642	1,906
Net amount available from, or required for (—), non-budgetary transactions.....	337	— 772
Overall cash requirements to be financed by increase in debt or decrease in cash balances.....	— 282	— 1,464
Net increase in unmatured debt outstanding in the hands of the public.....	734	1,064
Net increase or decrease (—) in Receiver General bank balances.....	452	— 400

Budgetary transactions

Revenue

Budgetary revenue of the government in the fiscal year 1963-64 amounted to \$6,253 million. This was \$63 million or one per cent more than the July 8, 1963 forecast of \$6,190 million and \$375 million or approximately 6 per cent more than the total of \$5,878 million collected in 1962-63.

Tax revenue amounted to \$5,533 million, 88½ per cent of total budgetary revenue compared with \$5,237 million or 89 per cent in 1962-63.

Non-tax revenue totalled \$720 million compared with \$641 million in 1962-63.

Expenditure

Budgetary expenditure of the government in 1963-64 amounted to \$6,872 million, \$27 million or less than one half of one per cent higher than forecast on July 8, 1963 and \$302 million or about 4½ per cent higher than expenditure in 1962-63.

Defence expenditure amounted to \$1,723 million, 25 per cent of total budgetary expenditure, compared with \$1,600 million and 24 per cent in 1962-63 and was again the largest category.

Civil or non-defence expenditure totalled \$5,149 million compared with \$4,970 million in 1962-63, an increase of \$179 million.

Deficit

Expenditure of \$6,872 million exceeded revenue of \$6,253 million resulting in a deficit of \$619 million for 1963-64 compared with a deficit of \$655 million as forecast on July 8, 1963 and the deficit of \$692 million in 1962-63.

Non-budgetary transactions (excluding unmatured debt transactions)

In the 1963-64 fiscal year non-budgetary transactions (excluding those in respect of unmatured debt) resulted in a net receipt of \$337 million being available for other purposes. In 1962-63 these transactions resulted in a net requirement of \$772 million having to be financed by an increase in unmatured debt outstanding in the hands of the public or from Receiver General bank balances.

Old age security fund

Pension payments from the old age security fund totalled \$808 million and receipts were \$750 million. Comparable figures for 1962-63 were \$734 million and \$691 million respectively. The increase of \$74 million in pension payments was largely the effect of the increased rate of payment (from \$65 to \$75 per month) effective October 1, 1963.

Temporary loans of \$58 million were made to the old age security fund during 1963-64 to cover the excess of payments over receipts. In 1962-63 temporary loans in the amount of \$42 million were made to the fund.

The transactions in the account during 1963-64 compared with those for 1962-63 were as follows:

	Fiscal year ended March 31	
	1964	1963
	(in millions of dollars)	
Pension payments.....	808	734
Tax receipts.....	750	691
Excess of payments over receipts (—).....	—58	—43
Temporary loans by the Minister of Finance carried forward.....	—42	
Balance in fund at beginning of year.....		1
Temporary loans by the Minister of Finance outstanding at fiscal year-end.....	100	42

Other loans, investments and working capital advances

Of the total non-budgetary receipts and credits, \$262 million was in respect of other loans, investments and working capital advances and of the total non-budgetary disbursements and charges, \$319 million was in respect of other loans, investments and working capital advances.

During the year the Trans-Canada Pipe Lines Limited exercised its option to purchase from Northern Canada Pipe Line Crown Corporation the Northern Ontario section of the natural gas pipe line. As a result of this transaction the corporation repaid to the government all of its outstanding loans which totalled \$111 million.

Exchange fund account

There were net repayments of advances of \$135 million by the exchange fund account in 1963-64 compared with net advances of \$943 million in 1962-63. The large net advance in 1962-63 was due to the exchange situation which developed during the spring of 1962.

Non-interest-bearing notes

There was a decrease of \$170 million in these notes during 1963-64 compared with an increase of \$385 million in 1962-63.

Insurance and pension accounts

Net receipts in these accounts amounted to \$364 million in 1963-64 as against \$472 million in 1962-63, an increase of \$108 million.

Unmatured debt transactions

Unmatured debt transactions in 1963-64 resulted in an increase of \$734 million in unmatured debt outstanding in the hands of the public compared with an increase of \$1,064 million in 1962-63.

Cash position

Receiver General bank balances were \$452 million greater at March 31, 1964 than at March 31, 1963. This is the amount by which the increase of \$734 million in unmatured debt outstanding in the hands of the public plus the net amount of \$337 million available from non-budgetary transactions exceeded the budgetary deficit of \$619 million.

Debt position

As a result of these budgetary and non-budgetary transactions the gross public debt increased by \$1,124 million to \$25,924 million, net recorded assets decreased by \$26 million to \$10,854 million and net debt increased by \$1,150 million (equivalent to the budgetary deficit of \$619 million for the fiscal year plus adjustments of \$531 million in respect of prior years' transactions) to \$15,070 million as at March 31, 1964.

THE GOVERN

STATEMENT OF EXPENDITURE AND REVENUE

(with comparative figures)

EXPENDITURE	Fiscal year ended	
	March 31, 1964	March 31, 1963
Agriculture.....	\$ 225,681,474	\$ 183,426,730
Atlantic Development Board.....	196,331	5,033
Atomic Energy.....	45,955,220	63,205,370
Auditor General's Office.....	1,258,359	1,218,834
Board of Broadcast Governors.....	341,849	353,913
Canadian Broadcasting Corporation.....	87,575,697	80,815,947
Central Mortgage and Housing Corporation.....	13,469,874	8,654,465
Office of the Chief Electoral Officer.....	11,875,892	11,815,352
Citizenship and Immigration.....	71,545,372	66,114,804
Civil Service Commission.....	5,224,776	4,792,379
Defence Production.....	41,564,748	30,918,846
Economic Council of Canada.....	164,824	
Emergency Measures Organization.....	6,942,249	6,369,909
External Affairs.....	97,022,596	85,196,665
Finance—		
Public debt charges.....	993,729,375	917,787,239
Fiscal, tax-sharing, subsidy and other payments to provinces.....	254,330,006	275,302,387
Other expenditure.....	158,375,231	161,690,212
	<i>1,406,434,612</i>	<i>1,354,779,838</i>
Fisheries.....	23,716,314	23,292,700
Forestry.....	41,815,947	31,840,094
Governor General and Lieutenant-Governors.....	524,159	467,638
Industry.....	696,257	433,689
Insurance.....	1,435,005	1,422,120
Justice.....	40,995,992	37,020,572
Labour.....	280,383,807	348,291,775
Legislation.....	12,923,599	8,108,063
Mines and Technical Surveys.....	67,759,325	71,130,401
National Defence—		
Royal Canadian Navy.....	297,972,475	269,438,503
Canadian Army.....	452,665,501	443,163,371
Royal Canadian Air Force.....	700,847,349	713,884,440
Defence research and development.....	46,053,342	41,089,007
Other expenditure.....	185,932,336	103,468,758
	<i>1,683,471,003</i>	<i>1,571,044,079</i>
National Film Board.....	5,743,931	5,610,630
National Gallery.....	1,067,949	987,271
National Health and Welfare—		
Family allowances.....	538,312,223	531,566,349
Other expenditure.....	665,542,374	590,881,908
	<i>1,203,854,597</i>	<i>1,122,448,257</i>
National Research Council, including the Medical Research Council.....	47,259,773	40,596,727
National Revenue.....	82,995,521	78,725,211
Northern Affairs and National Resources.....	77,334,019	86,377,092
Post Office.....	206,894,516	189,344,410
Privy Council.....	2,929,115	2,131,902
Public Archives and National Library.....	1,112,723	1,035,471
Public Printing and Stationery.....	2,147,045	2,038,633
Public Works.....	167,000,704	162,730,246
Office of the Representation Commissioner.....	37,006	
Royal Canadian Mounted Police.....	66,899,479	65,424,359
Secretary of State.....	7,568,044	4,782,903
Trade and Commerce.....	73,584,061	65,767,556
Transport.....	423,257,874	416,019,472
Veterans Affairs—		
Pensions.....	173,164,513	175,901,737
Other expenditure.....	160,575,368	159,700,712
	<i>333,739,881</i>	<i>335,602,449</i>
Total expenditure (see pages 18 to 21).....	6,872,401,519	6,570,341,805
Budgetary deficit.....	—619,197,480	—691,632,927
	<u>6,253,204,039</u>	<u>5,878,708,878</u>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

N A D A

FISCAL YEAR ENDED MARCH 31, 1964

(ending fiscal year)

REVENUE	Fiscal year ended	
	March 31, 1964	March 31, 1963
Tax revenues—		
Income tax—		
Personal ⁽¹⁾	\$ 1,865,073,635	\$ 1,744,626,029
Corporation ⁽¹⁾	1,258,957,490	1,182,836,979
On dividends, interest, etc., going abroad	124,499,621	129,137,372
Excise taxes—		
Sales ⁽¹⁾	946,054,797	805,970,471
Other	273,415,444	260,378,073
Customs import duties	581,441,461	644,992,131
Excise duties	393,326,182	381,865,989
Estate tax ⁽²⁾	90,671,283	87,143,312
Miscellaneous	91,869	27,028
	5,533,531,782	5,236,977,384
Non-tax revenues—		
Return on investments	366,412,592	311,860,829
Post Office —net postal revenue	200,717,142	192,771,815
Refunds of previous years' expenditure	26,839,307	22,392,490
Services and service fees	51,321,056	46,185,576
Proceeds from sales	28,444,672	26,531,005
Privileges, licences and permits	27,172,568	25,008,212
Bullion and coinage	9,717,080	9,404,342
Premium, discount and exchange	232,234	
Miscellaneous	8,815,606	7,577,225
	719,672,257	641,731,494

⁽¹⁾Excluding tax credited to the old age security fund—

	1963-64	1962-63
Personal income tax	302,600,000	273,650,000
Corporation income tax	115,750,000	115,250,000
Sales tax	331,760,067	302,238,927

⁽²⁾Includes duties levied under the Dominion Succession Duty Act.

Total revenue	6,253,204,039	5,878,708,878
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or General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

THE GOVERNMENT

STATEMENT OF ASSETS AND

(with comparative

ASSETS

	<i>March 31, 1964</i>	<i>March 31, 1963</i>
Current assets—		
Cash.....	\$ 984,642,872	\$ 511,347,154
Departmental working capital advances and revolving funds.....	168,806,488	243,267,010
Securities held for the securities investment account at amortized cost....	99,859,788	33,480,163
Other current assets.....	33,753,992	32,316,719
	<i>1,287,063,140</i>	<i>820,411,046</i>
Advances to the exchange fund account—(value of investments from advances on basis of official parity rate March 31, 1964, \$2,631,200,188; closing exchange rate March 31, 1963, \$2,757,046,289).....	2,601,000,000	2,736,000,000
Sinking fund and other investments held for retirement of unmatured debt..		22,311,845
Loans to, and investments in, Crown corporations (<i>see</i> page 25).....	4,584,194,507	4,468,119,368
Loans to national governments.....	1,195,684,799	1,210,776,466
Other loans and investments—		
Subscriptions to capital of, and working capital advances and loans to, international organizations.....	702,130,003	693,997,679
Loans to provincial governments.....	113,651,578	116,817,626
Veterans land act advances (less reserve for conditional benefits).....	216,970,307	196,018,731
Miscellaneous.....	165,064,212	103,820,343
	<i>1,197,816,100</i>	<i>1,110,654,379</i>
Securities held in trust.....	38,881,823	26,016,103
Deferred charges—		
Unamortized portions of actuarial deficiencies—		
Canadian forces superannuation account.....		524,849,000
Public service superannuation account.....	276,661,000	276,661,000
Royal Canadian Mounted Police superannuation account.....		3,533,000
Unamortized loan flotation costs.....	123,699,586	131,601,094
	<i>400,360,586</i>	<i>936,644,094</i>
Suspense accounts	141,392	136,100
Capital assets (<i>see</i> note 1 page 28).....	1	1
Inactive loans and investments.....	94,824,381	94,824,381
Total recorded assets	11,399,966,729	11,425,893,783
Less: Reserve for losses on realization of assets.....	—546,384,065	—546,384,065
Net recorded assets	10,853,582,664	10,879,509,718
Net debt, represented by excess of liabilities over net recorded assets (<i>see</i> note 2 page 28)	15,070,149,452	13,919,769,972
	<i>25,923,732,116</i>	<i>24,799,279,690</i>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

CANADA

LIABILITIES AS AT MARCH 31, 1964

(March 31, 1963)

LIABILITIES

	March 31, 1964	March 31, 1963
Current and demand liabilities—		
Outstanding treasury cheques.....	\$ 319,894,410	\$ 266,548,686
Accounts payable (that portion paid in April of the next following fiscal year).....	342,673,020	267,364,119
Non-interest-bearing notes payable to the international monetary fund and the international development association.....	586,996,025	757,284,519
Matured debt outstanding.....	26,820,209	32,466,821
Interest due and outstanding.....	91,893,489	79,460,893
Interest accrued.....	215,973,372	196,973,991
Other current liabilities.....	35,710,909	31,379,226
	<i>1,619,961,434</i>	<i>1,631,478,255</i>
Deposit and trust accounts.....	196,454,123	225,202,751
Annuity, insurance and pension accounts (<i>see note 3 page 28</i>).....	5,131,053,811	4,747,016,868
Undisbursed balances of appropriations to special accounts.....	111,601,270	119,951,698
Deferred credits.....	119,446,821	107,739,147
Suspense accounts.....	5,117,628	6,054,640
Unmatured debt (<i>see page 26</i>)—		
Bonds (<i>see note 4 page 28</i>).....	16,510,097,029	15,796,836,331
Treasury bills.....	2,230,000,000	2,165,000,000
	<i>18,740,097,029</i>	<i>17,961,836,331</i>

NOTE: The indirect or contingent liabilities of the Government of Canada, consisting of railway securities guaranteed as to principal and interest, \$1,377,611,480; other guarantees of \$5,950,662,777; together with certain indeterminate guarantees, are listed on page 27.

Total liabilities.....	<u>25,923,732,116</u>	<u>24,799,279,690</u>
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Director General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1964	1963
Budgetary transactions—		
Revenue	6,253.2	5,878.7
Expenditure	—6,872.4	—6,570.3
Deficit (—)	—619.2	—691.6
Non-budgetary transactions (excluding unmatured debt transactions) (net)—		
Receipts and credits	979.0	—628.3
Disbursements and charges	—642.3	—144.0
Net amount received from, or required for (—), non-budgetary transactions	336.7	—772.3
Overall cash requirement (—) to be financed by increase in debt or decrease in cash balances	—282.5	—1,463.9
Net increase in unmatured debt outstanding in the hands of the public—		
Unmatured debt—		
Bonds ⁽¹⁾	713.3	736.1
Treasury bills	65.0	280.0
Securities investment account ⁽²⁾	—66.4	50.5
Sinking fund and other investments	22.3	—2.9
	734.2	1,063.7
Net increase or decrease (—) in Receiver General bank balances	451.7	—400.2

⁽¹⁾Includes a decrease of \$12 million in 1963–64 and a decrease of \$51 million in 1962–63 in special non-marketable bonds issued to the Unemployment Insurance Commission.

⁽²⁾Excluding securities other than government issues.

NON-BUDGETARY RECEIPTS AND CREDITS

(in millions of dollars)

	Fiscal year ended March 31	
	1964	1963
Repayments of loans, investments and advances—		
Agricultural commodities stabilization account.....	75.0	—6.2
Canadian Commercial Corporation.....	4.0	0.5
Canadian National Railways (including Trans-Canada Air Lines).....	28.4	—274.3
Defence production revolving fund.....	11.3	—11.8
Northern Ontario Pipe Line Crown Corporation.....	110.6	8.4
United Kingdom and other national governments.....	25.1	129.0
Miscellaneous.....	7.7	1.5
	262.1	—152.9
Repayment by exchange fund.....	135.0	—943.0
Annuity, insurance and pension accounts.....	384.0	501.0
Other receipts and credits—		
Accounts payable.....	75.3	—13.3
Interest accrued, and interest due and outstanding.....	31.4	28.0
Outstanding treasury cheques.....	53.3	0.7
Post office money orders.....	4.3	0.8
Various deposit and trust accounts.....	11.4	—55.0
Unamortized loan flotation costs.....	7.9	—10.3
The St. Lawrence Seaway Authority—deferred interest.....	14.3	15.7
	197.9	—33.4
	979.0	—628.3

NON-BUDGETARY DISBURSEMENTS AND CHARGES

(in millions of dollars)

	Fiscal year ended March 31	
	1964	1963
Loans, investments and advances—		
Central Mortgage and Housing Corporation.....	113.3	101.8
Export Credits Insurance Corporation.....	23.4	19.6
Farm Credit Corporation.....	69.9	59.0
National Capital Commission.....	12.1	9.4
Old age security fund.....	58.3	41.7
Stockpiling of uranium concentrates.....	13.5	
The St. Lawrence Seaway Authority.....	24.9	22.7
Veterans Land Act.....	21.0	18.6
Royal Canadian Mint.....	2.2	6.6
Canadian Overseas Telecommunication Corporation.....	6.2	11.4
National Harbours Board.....	5.5	13.8
Northern Canada Power Commission.....	3.4	-7.2
Loan to India for purchase of aircraft in Canada.....	10.0	
Loans to international organizations.....	8.1	34.1
Housing projects for Canadian forces.....	5.4	6.1
	377.2	337.6
Other disbursements and charges—		
Crown corporation deposit (Atomic Energy of Canada Limited).....	16.4	-6.0
Cash in hands of collectors and in transit.....	21.5	16.3
Korean operations pool.....	16.1	
Non-interest-bearing notes payable to international monetary fund.....	172.0	-380.0
Securities held in trust.....	12.9	0.1
Matured debt outstanding.....	5.6	4.0
Canadian National Railways.....	7.6	-7.6
Railway grade crossing fund.....	9.1	7.1
Unamortized portion of actuarial deficiency in the Canadian forces superannuation account.....		198.5
Other.....	3.9	-26.0
	265.1	-193.6
	642.3	144.0

BUDGETARY EXPENDITURE CLASSIFIED BY FUNCTION

(in millions of dollars)

	Fiscal year ended March 31			
	1964		1963	
	Amount	Per cent	Amount	Per cent
Defence.....	1,723.1	25.1	1,600.0	24.4
Health, welfare and social security ⁽¹⁾	1,416.6	20.6	1,322.5	20.1
Public debt charges.....	993.7	14.5	917.8	14.0
Payments to provincial and municipal governments ⁽²⁾	290.3	4.2	308.0	4.7
Veterans affairs.....	333.7	4.9	335.6	5.1
Transportation and communications.....	785.6	11.4	750.9	11.4
Resources and industrial development.....	596.0	8.7	560.0	8.5
Education.....	181.7	2.6	250.6	3.8
International co-operation.....	72.2	1.0	63.2	1.0
General government.....	466.3	6.8	447.7	6.8
Unclassified.....	13.2	0.2	14.0	0.2
	6,872.4	100.0	6,570.3	100.0

⁽¹⁾Pension payments out of the old age security fund are not included.

⁽²⁾Does not include those payments made to provincial and municipal governments for specific purposes.

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Civil salaries and wages	Civilian allowances	Pay and allowances, Defence Forces and R.C.M. Police	Professional and special services	Travelling and removal expenses
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	Agriculture.....	50,375,782	169,438		2,176,891	3,076,337
2	Atlantic Development Board.....	65,480			104,217	6,683
3	Atomic Energy.....	109,226			1,242	10,240
4	Auditor General's Office.....	1,156,555			1,180	75,397
5	Board of Broadcast Governors.....	267,244	28,300		6,826	20,782
6	Canadian Broadcasting Corporation.....					
7	Central Mortgage and Housing Corporation.....					
8	Office of the Chief Electoral Officer.....	191,634			10,249	1,211
9	Citizenship and Immigration.....	23,181,741	972,460		9,294,903	1,415,442
10	Civil Service Commission.....	4,290,358			83,676	170,354
11	Defence Production.....	10,942,409	235,741		138,690	326,065
12	Economic Council of Canada.....	115,181			1,586	18,139
13	Emergency Measures Organization.....	1,081,768	1,122		129,572	38,534
14	External Affairs.....	11,742,956	4,504,146		138,480	1,925,695
15	Finance.....	22,578,844	80,307		136,956	295,790
16	Fisheries.....	11,996,720	269,798		93,223	917,925
17	Forestry.....	6,900,722	1,994		112,435	404,060
18	Governor General and Lieutenant-Governors..	269,126	223,933			4,267
19	Industry.....	453,649	1,371		23,413	30,809
20	Insurance.....	694,662			5,000	20,400
21	Justice.....	10,971,691	21,265		372,371	374,186
21	Office of the Commissioner of Penitentiaries	14,360,696			585,914	139,925
22	Labour.....	45,644,774	51,436		2,718,949	1,216,765
23	Legislation.....	8,565,931	2,073,059		10,172	156,687
24	Mines and Technical Surveys.....	19,492,864	165,877		1,945,407	1,076,564
25	National Defence.....	197,194,640	1,803,215	573,333,536	43,082,390	37,958,800
26	National Film Board.....					
27	National Gallery of Canada.....	350,087			154,133	27,447
28	National Health and Welfare.....	23,520,789	999,636		8,405,472	1,085,999
29	National Research Council, including the Medical Research Council.....	19,362,641	80,771		752,581	388,682
30	National Revenue.....	74,049,548	110,622		788,828	2,072,281
31	Northern Affairs and National Resources.....	17,109,050	1,376,136		1,888,221	1,123,168
32	Post Office.....	133,501,966	820,311		125,777	460,028
33	Privy Council.....	788,451	6,367			14,804
34	Public Archives and National Library.....	915,096	2,743		47,559	7,401
35	Public Printing and Stationery.....	737,496			669	3,535
36	Public Works.....	32,604,025	275,441		2,403,187	618,785
37	Office of the Representation Commissioner.....	6,913				
38	Royal Canadian Mounted Police.....	4,558,285	24,756	39,630,005	1,262,538	2,211,325
39	Secretary of State.....	3,253,491	1,994		254,624	62,523
40	Trade and Commerce.....	19,713,137	1,566,728		1,011,797	1,326,107
41	Transport—					
41	Department.....	78,947,655	1,923,040		6,463,793	3,152,133
41	Canadian Maritime Commission.....	166,210				10,392
41	National Harbours Board.....					
42	Veterans Affairs.....	56,087,074	83,902		12,292,816	873,499
		908,316,567	17,875,909	612,963,541	97,025,737	63,119,166

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1964

Freight, express and cartage	Postage	Telephones, telegrams and other communi- cation services	Publication of departmental reports and other material	Exhibits, advertising, films, broadcasting and displays	Office stationery, supplies, equipment and furnishings	Materials and supplies	Section (Public Accounts, Volume II)
(6)	(7)	(8)	(9)	(10)	(11)	(12)	
\$	\$	\$	\$	\$	\$	\$	
196,829	69,222	422,920	240,708	34,229	1,002,848	3,290,895	1
	216	1,999			3,735		2
	936	2,035	526		3,007		3
47	221	8,263	7,479		8,868		4
16	32	6,059			9,870		5
				1,865,884			6
							7
21		1,564			1,179		8
112,041	159,568	306,414	158,482	146,747	400,377	7,592,701	9
6,995	25,512	60,944	14,639	302,678	159,816	1,997	10
139,922	58,751	249,600	22,603	3	837,048	7,685	11
57	59	2,427			3,768	3,527	12
4,856	1,428	37,049	85,940	35,076	32,720	112,617	13
117,676	184,775	2,076,389	161,682	47,624	761,603	250,037	14
259,361	2,191,245	133,011	121,880		2,702,196	164,399	15
52,016	25,795	164,443	100,064	68,733	190,756	1,783,809	16
12,327	7,455	62,651	100,470	22,035	162,930	302,941	17
	698	16,500		495	7,361	406	18
527		14,091	16,218	62,190	47,742	30,834	19
310	276	4,449	115,436		13,853		20
3,918	8,193	72,170	497,837		180,706	167	21
21,270	16,692	41,084	8,533	25,700	122,844	4,205,660	21
136,250	925,961	773,669	235,352	995,690	1,517,719	45,692	22
5,757	1,777	103,529	1,196,713		217,023	80,252	23
247,710	17,151	130,114	215,506	28,276	400,720	3,044,989	24
5,785,644	738,102	22,785,488	2,482,167	633,449	5,761,958	113,739,595	25
				5,536,300			26
2,087	425	8,785	39,323	158,936	21,018	30,425	27
190,859	90,328	260,926	217,379	95,851	439,473	6,226,281	28
52,083	36,007	117,781	582,380	41,721	741,271	4,617,034	29
175,162	771,737	459,852	108,233	93,054	4,256,830	695,147	30
1,335,036	20,217	231,295	130,322	98,561	222,576	3,704,613	31
60,063		198,939	137,654	227,372	718,661	3,664,602	32
	456	43,263			28,046	7,705	33
727	281	5,869	39,026		57,369	922	34
26,518	36,545	4,965	1,315,697	49,518	58,831	25,769	35
280,894	23,584	265,157	12,001	12,179	2,210,557	4,293,371	36
							37
185,463	99,750	438,533	18,568	4,102	405,119	3,281,344	38
8,045	1,355	29,473	44,569	11,725	99,040	61,042	39
388,168	148,836	320,680	1,080,233	3,438,222	1,396,086	88,239	40
							41
1,027,842	87,996	5,980,752	140,524	26,813	1,334,237	8,569,624	41
		5,376	1,383	542	4,216		41
							41
74,561	131,138	384,627	19,683	62,419	431,661	9,869,663	42
10,911,058	5,882,720	36,233,135	9,669,210	14,126,124	26,975,638	179,793,984	

Continued

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Buildings and works, including land			Equipment		
		Construc- tion or acquisition	Repairs and upkeep	Rentals	Construc- tion or acquisition	Repairs and upkeep	Rentals
		(13)	(14)	(15)	(16)	(17)	(18)
		\$	\$	\$	\$	\$	\$
1	Agriculture.....	21,355,111	1,804,011	292,783	2,363,059	881,770	51,069
2	Atlantic Development Board.....						
3	Atomic Energy.....	11,708,000			1,758,300		
4	Auditor General's Office.....						
5	Board of Broadcast Governors.....						
6	Canadian Broadcasting Corporation.....						
7	Central Mortgage and Housing Corpora- tion.....						
8	Office of the Chief Electoral Officer.....						
9	Citizenship and Immigration.....	8,483,953	2,247,796	172,040	1,089,218	195,704	
10	Civil Service Commission.....			13,905	13,447		
11	Defence Production.....	21,337		3,466	505,186	38,399	
12	Economic Council of Canada.....						
13	Emergency Measures Organization.....	42,035	31,105		652,532	11,017	
14	External Affairs.....	1,689,416	256,364	985,569	629,814	231,750	6,596
15	Finance.....			3,100	421,765	64,251	
16	Fisheries.....	937,275	300,470	31,960	2,440,758	656,435	635,400
17	Forestry.....	1,661,122	409,053	5,131	447,204	142,941	34,650
18	Governor General and Lieutenant- Governors.....						
19	Industry.....						
20	Insurance.....						
21	Justice.....				2,111	102	
21	Office of the Commissioner of Penitentiaries.....	5,000,659	225,317	5,890	951,024	230,615	2,604
22	Labour.....			1,947	13,195	5,247	
23	Legislation.....					506	
24	Mines and Technical Surveys.....	159,089	25,345	18,401	2,584,855	725,002	1,872,666
25	National Defence.....	31,981,178	37,997,553	6,586,093	262,619,476	146,801,604	86,790
26	National Film Board.....				207,631		
27	National Gallery of Canada.....				9,038	1,521	
28	National Health and Welfare.....	1,511,883	209,684	91,295	821,505	152,278	408
29	National Research Council, including the Medical Research Council.....	4,103,511	330,014		228,352	370,293	
30	National Revenue.....	131,825	96,248	18,922	55,106	11,686	
31	Northern Affairs and National Resources.....	21,016,875	2,250,333	27,342	1,828,164	970,133	514,755
32	Post Office.....			12,568	831,271	317,037	90,998
33	Privy Council.....						
34	Public Archives and National Library.....			686	10,527	1,939	
35	Public Printing and Stationery.....						
36	Public Works.....	46,101,104	10,666,384	7,683,304	1,176,799	641,309	123,614
37	Office of the Representation Commissioner.....						
38	Royal Canadian Mounted Police.....	1,062,525	390,230	578,747	1,862,996	1,621,453	110,401
39	Secretary of State.....	1,305,624		60,000	25,809	3,787	7,611
40	Trade and Commerce.....	145,661	27,609	399,698	176,190	14,629	
41	Transport—						
41	Department.....	51,208,719	3,895,762	215,311	15,843,987	6,914,668	2,820,766
41	Canadian Maritime Commission.....						
41	National Harbours Board.....	321,039			7,264		
42	Veterans Affairs.....	504,316	922,608		759,250	295,138	
		210,452,257	62,085,886	17,208,158	300,335,833	161,301,214	6,358,328

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1964

Municipal or public utility services	Contributions, grants, subsidies, etc. not included elsewhere	Pensions, superannuation and other benefits	All other expenditures (other than special categories 23-33)	Special categories	Total standard objects and special categories	Less expenditure recovered	Net total expenditure	Section (Public Accounts, Volume II)
(19)	(20)	(21)	(22)	(23)-(33)	(1)-(33)	(34)		
\$	\$	\$	\$	\$	\$	\$	\$	
916,369	140,799,311	19,871 4,277	314,049 9,724 (1)31,461,708 349 2,720		229,853,502 196,331 45,955,220 1,258,359 341,849 87,575,697	4,172,028	225,681,474 196,331 45,955,220 1,258,359 341,849 87,575,697	1 2 3 4 5 6
	900,000							
	85,709,813							
	3,840,619		9,629,255 11,670,034 11,510,071 79,437		13,469,874 11,875,892 71,568,067 5,224,776		13,469,874 11,875,892 71,545,372 5,224,776	7 8 9 10
244,566	3,842,377 1,018	41,466	28,052,573 1,904		41,767,472 169,648 6,942,249 97,082,754	22,695	41,564,748 164,824 6,942,249 97,022,596	11 12 13 14
187,677	23,000	317	196,615 700,146		1,406,434,612 24,000,128 41,815,947	202,724 4,824	41,564,748 164,824 6,942,249 97,022,596	15 16 17
23,978	4,424,285		1,904					
363,448	70,221,037	87,551	2,403,193					
31,534,938	26,794,000	68,489,995	1,737,325	(2)1,248,059,381	1,406,434,612	60,158	1,406,434,612	15
122,719	1,458,029	16,475	594,902			283,814	23,716,314	16
74,730	30,351,711	4,483					41,815,947	17
			1,373 1,413 580,619 12,707		524,159 696,257 1,435,005 13,953,639		524,159 696,257 1,435,005 13,953,639	18 19 20 21
6,584	195,462	1,234,169						
283,441		17,715	796,770		27,042,353		27,042,353	21
3,000	163,993,104	2,213,113	574,798	(3)59,317,146	280,383,807		280,383,807	22
	45,037	401,362	65,794		12,923,599		12,923,599	23
48,767	35,566,611	13,759	77,218		67,856,891	97,566	67,759,325	24
23,369,633	32,825,516	145,876,519	15,892,179		1,709,335,525	25,864,522	1,683,471,003	25
	11,632	2	253,090		5,743,931		5,743,931	26
431,914	2,460,344	700	1,316,853	(4)1,155,324,740	1,203,854,597		1,203,854,597	27
581,864	19,309,437		99,575		51,795,998	4,536,225	47,259,773	29
46,915		3,322	19,268		83,964,586	969,065	82,995,521	30
1,387,880	22,570,645	50,596	823,379		78,679,297	1,345,278	77,334,019	31
5,487	26,081	156,001	10,679	(5)65,529,021	206,894,516		206,894,516	32
			2,040,023		2,929,115		2,929,115	33
			75,928		1,166,073	53,350	1,112,723	34
			279		2,259,822	112,777	2,147,045	35
6,207,223	91,244	12,318	12,307,913	(6)39,240,284	167,250,677	249,973	167,000,704	36
			30,093		37,006		37,006	37
562,417	14,624	7,078,301	1,497,997		66,899,479		66,899,479	38
	2,000,592	16,744	319,996		7,568,044		7,568,044	39
42,807	41,721,267	30,845	577,122		73,614,061	30,000	73,584,061	40
3,168,651	120,165,313	244,040	6,612,128	(7)55,225,916	373,969,670	796,225	373,173,445	41
	49,424,658		131,892		49,744,669		49,744,669	41
				(8)11,457	339,760		339,760	41
635,859	1,825,243	57,836	2,345,842	(9)267,428,812	355,085,947	21,346,066	333,739,881	42
70,250,867	860,626,010	226,071,777	144,828,933	2,890,136,757	6,932,548,809	60,147,290	6,872,401,519	

(1) This item (22) includes \$31,457,805 in respect of the Atomic Energy of Canada Limited research program.

(2) Interest on public debt, etc. (23) \$993,729,375; subsidies and special payments to provinces (24) \$254,330,006.

(3) Government's contribution to the unemployment insurance fund (29) \$59,317,146.

(4) Family allowances payments (25) \$538,312,224; old age assistance, blind persons allowances, disabled persons allowances and unemployment assistance (26) \$171,773,328; hospital insurance and general health grants (30) \$445,239,188.

(5) Movement of mail by land, air and water (32) \$65,529,021.

(6) Trans-Canada highway contributions (31) \$39,240,284.

(7) Deficits—government-owned enterprises (33) \$55,225,916.

(8) Deficits—Champlain Bridge, Montreal Harbour, \$11,457.

(9) Veterans disability pensions, etc. (27) \$173,164,513; other payments to veterans and dependents (28) \$94,264,299.

Concluded

SUMMARY OF REVENUE BY MAIN CLASSIFICATIONS AND

Section (Public Accounts, Volume II)	Department	Tax revenues	Return on investments	Bullion and coinage	Premium, discount and exchange
		\$	\$	\$	\$
1	Agriculture.....		258,603		
3	Atomic Energy.....		235,831		
4	Auditor General's Office				
5	Board of Broadcast Governors.....				
6	Canadian Broadcasting Corporation.....				
7	Central Mortgage and Housing Corporation.....		85,525,349		
8	Office of the Chief Electoral Officer.....				
9	Citizenship and Immigration.....		44,927		
10	Civil Service Commission.....				
11	Defence Production.....		4,252,165		
13	Emergency Measures Organization.....				
14	External Affairs		1,303,330		
15	Finance		257,761,153	9,717,080	232,234
16	Fisheries		466,990		
17	Forestry		79		
20	Insurance	90,092			
21	Justice				
21	Office of the Commissioner of Penitentiaries.....		245,565		
22	Labour		5,962		
23	Legislation.....				
24	Mines and Technical Surveys.....		336,431		
25	National Defence.....		755,544		
26	National Film Board.....				
27	National Gallery of Canada.....				
28	National Health and Welfare.....		44		
29	National Research Council including Medical Research Council		41		
30	National Revenue	5,533,439,913	930		
31	Northern Affairs and National Resources.....	1,777	409,125		
32	Post Office		805		
33	Privy Council.....				
34	Public Archives and National Library.....		559		
35	Public Printing and Stationery.....				
36	Public Works				
38	Royal Canadian Mounted Police.....		16,396		
39	Secretary of State				
40	Trade and Commerce		4,646,395		
41	Transport		2,767,009		
42	Veterans Affairs		7,379,359		
		5,533,531,782	366,412,592	9,717,080	232,234

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1964

Postal revenue	Privileges, licences, and permits	Proceeds from sales	Services and service fees	Refunds of previous years' expenditure	Miscellaneous	Total	Section (Public Accounts, Volume II)
\$	\$	\$	\$	\$	\$	\$	
	1,641,342	1,979,002	6,403,060	191,529	45,567	10,519,103	1
			7,331			235,831	3
				758		7,331	4
		184		130,856	304	1,062	5
	4,887,474			251,199		131,040	6
				565	761,191	91,425,213	7
	961,154	53,073	134,458	219,430	104,098	104,663	8
			65		247,383	1,660,425	9
	1,355	12,436,072	152,716	15,269		65	10
	16,896	2,038	769	190,619	9,258	16,866,835	11
	972,681	16,308	12,084	227,920	89,050	299,372	13
		42	944,935	1,210,314	16,600	2,548,923	14
	124,659	176,758	24,623	61,465	550,764	270,416,522	15
	101,506	30,388	3,551	35,204	47,328	901,823	16
			820,733		358	171,086	17
	2,178,427	54	516,809	33,384	270	911,095	20
	76,051	665,967	13,930	33,888	311,764	3,040,438	21
		1,681	1,055	842,807	1,092	1,036,493	21
	125,965		3,876	606	1,111,101	1,962,606	22
	27,563	386,907	18,278	15,325	4,248	134,695	23
	1,795,672	3,853,918	2,652,441	18,855,377	17,011	801,515	24
				18,340	2,779,624	30,692,576	25
				3,509		18,340	26
	315,299	147,060	4,403,435	456,467	80	3,589	27
					62,543	5,384,848	28
				89,066	734	89,841	29
	211,873	66,283	275,706	3,161	1,423,315	5,535,421,181	30
	4,855,511	572,460	539,806	434,382	157,952	6,971,013	31
200,717,142		23,517		6,723	26,067	200,774,254	32
				1,233	5,056	6,289	33
			6,353	3,947	78	10,937	34
	68,413	1,762,618		58	32,996	1,864,085	35
	1,934,401	331,013	526,246	316,729	177,954	3,286,343	36
	733,400	408,773	14,855,738	229,675	124,665	16,368,647	38
	408,972	3,202	142,632	655	138	555,599	39
	17,936	1,539	2,254,404	25,868	525,530	7,471,672	40
	10,563,672	604,333	16,606,022	432,105	84,372	31,057,513	41
	39,820	34,008		2,500,874	97,115	10,051,176	42
200,717,142	27,172,568	28,444,672	51,321,056	26,839,307	8,815,606	6,253,204,039	

RETURN ON INVESTMENTS

	Fiscal year ended March 31	
	1964	1963
Loans to, and investments in, Crown corporations—		
Bank of Canada—profits.....	\$ 116,386,459	\$ 96,680,128
Canadian National Railways.....	13,018,261	3,824,145
Canadian Overseas Telecommunication Corporation.....	2,586,288	1,971,301
Central Mortgage and Housing Corporation.....	85,525,349	79,925,187
Eldorado Mining and Refining Limited.....	2,000,000	3,000,000
Farm Credit Corporation.....	10,869,021	8,482,490
National Capital Commission.....	2,319,216	1,776,142
National Harbours Board.....	3,409,511	3,555,066
Northern Canada Power Commission.....	1,647,897	1,695,542
Northern Ontario Pipe Line Crown Corporation.....	1,582,864	4,086,613
Polymer Corporation.....	3,500,000	3,000,000
The St. Lawrence Seaway Authority.....	2,568,183	
Miscellaneous	444,159	352,032
	245,857,208	208,348,646
Other loans and investments—		
United Kingdom	21,140,905	21,489,305
Other national governments	6,221,209	8,361,401
Provincial governments.....	1,347,121	1,523,999
Profit resulting from exchange of 3¾% 1958-65 bonds for 5% 1963-68 bonds....	2,648,874	
Soldier and general land settlement loans and veterans land act advances.....	7,372,939	6,548,882
Exchange fund account.....	62,594,241	35,227,058
Purchase fund account.....		10,361,881
Securities investment account	1,409,844	1,990,907
Sinking fund and other investments held for retirement of unmatured debt.....	329,156	712,403
Interest-bearing deposits with chartered banks.....	13,702,314	14,394,671
Unemployment Insurance Commission	237,897	
Miscellaneous	3,550,884	2,901,676
	120,555,384	103,512,183
	366,412,592	311,860,829

GOVERNMENT OF CANADA EQUITY IN CROWN CORPORATIONS AS AT MARCH 31, 1964

Corporation	Recorded government equity	Unrecorded government equity	Total government equity
Agency—			
Atomic Energy of Canada Limited.....	\$ 53,659,961	\$ 3,673,303	\$ ⁽¹⁾ 57,333,264
Canadian Arsenals Limited.....	*8,750,000	30	8,750,030
Canadian Commercial Corporation.....	5,500,000	96,183	5,596,183
Canadian National (West Indies) Steamships Limited.....	325,000	170,143	495,143
Canadian Patents and Development Limited.....	296,199	672,334	968,533
Crown Assets Disposal Corporation.....	†5,197,336	100,000	5,297,336
Defence Construction (1951) Limited.....		30	30
The National Battlefields Commission.....		1,488,722	1,488,722
National Capital Commission.....	52,986,676	47,048,035	100,034,711
National Harbours Board.....	198,133,894	280,915,799	479,049,693
Northern Canada Power Commission.....	22,388,262	10,160,075	⁽²⁾ 32,548,337
Park Steamship Company Limited.....		5,442	5,442
	347,237,328	344,330,096	691,567,424
Proprietary—			
Canadian Broadcasting Corporation.....	3,000,000	42,612,401	45,612,401
Canadian National Railways.....	⁽³⁾ 1,411,624,982	795,138,456	2,206,763,438
Canadian Overseas Telecommunication Corporation.....	55,461,660	10,317,588	65,779,248
Central Mortgage and Housing Corporation.....	1,916,141,454	18,428,996	⁽⁴⁾ 1,934,570,450
Cornwall International Bridge Company Limited.....		-2,959	-2,959
Eldorado Aviation Limited.....		227,683	227,683
Eldorado Mining and Refining Limited.....	⁽⁵⁾ 8,246,877	42,804,077	51,050,954
Export Credits Insurance Corporation.....	58,375,399	9,640,283	68,015,682
Farm Credit Corporation.....	338,873,091	1,665,340	340,538,431
Northern Transportation Company Limited.....		6,278,806	6,278,806
Polymer Corporation Limited.....	30,000,000	54,992,387	84,992,387
The St. Lawrence Seaway Authority.....	415,761,052	128,938,886	544,699,938
Trans-Canada Air Lines.....		527,875	527,875
	4,237,484,515	1,111,569,819	5,349,054,334
Other—			
Bank of Canada.....	⁽⁶⁾ 5,920,000	24,080,000	30,000,000
Canadian Corporation for the 1967 World Exhibition.....		237,918	237,918
Industrial Development Bank.....		16,618,446	16,618,446
Northern Ontario Pipe Line Crown Corporation.....		693,725	693,725
	5,920,000	41,630,089	47,550,089
	4,590,641,843	1,497,530,004	6,088,171,847
*Advanced from department of defence production revolving fund recorded in schedule B—"Departmental working capital ad- vances and revolving funds".....	-1,250,000		
†Government equity in agency account recorded in schedule G— "Other loans and investments—miscellaneous".....	-5,197,336		
Total per schedule E—"Loans to, and investments in, Crown cor- porations".....	4,584,194,507		

Total government equity represents the loans, advances and proprietary equities as shown in the financial reports of Crown corporations at their respective years ended coincident with, or immediately prior to, the fiscal year ended March 31, 1964 plus any adjustments for additional advances to, or repayments by, the corporations from their year-end dates to March 31, 1964 as follows; National Harbours Board \$759,882, Canadian National Railways, \$4,028,488, Central Mortgage and Housing Corporation, \$53,622,857 and Export Credits Insurance Corporation, \$10,724,657.

Included in the unrecorded equity of the Government of Canada in Crown corporations are those amounts which although designated by certain Crown corporations as proprietor's equity, have been financed by the government of Canada and charged to government expenditures or to net debt, and have been fully expended in the acquisition of the Crown corporation's capital assets.

The equity of the Crown in subsidiary companies, represented by capital stock, is included in the equity of the parent companies. The St. Lawrence Seaway Authority owns a 50% equity in the Cornwall International Bridge Company Limited and the Seaway International Bridge Corporation Ltd. Eldorado Aviation Limited and Northern Transportation Company Limited are wholly-owned subsidiaries of Eldorado Mining and Refining Limited. Trans-Canada Air Lines is a wholly-owned subsidiary of Canadian National Railways. The Industrial Development Bank is a wholly-owned subsidiary of the Bank of Canada.

(1) Includes accrued interest, \$1,485,522.

(2) Includes accrued interest, \$74,966.

(3) Includes advances to Trans-Canada Air Lines re 1964 income deficit, \$4,998,000 and loans in respect of Yarmouth-Barr Harbour ferry service, \$739,176.

(4) Includes accrued interest, \$13,428,996.

(5) Includes premium on acquisition of capital stock, \$1,660,797.

(6) Includes premium on acquisition of capital stock, \$920,000.

UNMATURED DEBT INCLUDING TREASURY BILLS OF CANADA ON MARCH 31, 1964

		Date of maturity	Rate per cent	Amount of loan
PAYABLE IN CANADA—				
<i>Bonds—</i>				
Loan of 1961.....	AT 1	1964 May 1	4	360,000,000
Loan of 1963.....	AT20	July 1	3 $\frac{1}{4}$	175,000,000
Loan of 1961.....	AT 8	Oct. 1	3 $\frac{1}{4}$	250,000,000
Loan of 1963.....	CT 1	Oct. 1	3 $\frac{1}{4}$	185,000,000
Loan of 1961.....	AT 5	Dec. 1	4	240,000,000
Loan of 1963.....	CT 4	Dec. 15	3 $\frac{1}{4}$	225,000,000
Loan of 1962.....	AT17	1965 Feb. 1	3 $\frac{1}{2}$	350,000,000
Loan of 1964.....	CT 6	Feb. 1	3 $\frac{1}{2}$	65,000,000
Loan of 1962.....	AT15	Apr. 1	4 $\frac{1}{4}$	110,000,000
Loan of 1963.....	CT 2	Apr. 1	4 $\frac{1}{4}$	90,000,000
Conversion loan 1958.....	T 27	Sept. 1	3 $\frac{3}{4}$	999,890,600
Canada savings bonds 1953.....	S 8	Nov. 1	3 $\frac{3}{4}$	53,245,150
Loan of 1963.....	AT19	1966 Feb. 1	3 $\frac{1}{2}$	225,000,000
Loan of 1964.....	CT 7	Feb. 1	3 $\frac{1}{2}$	105,000,000
Ninth victory loan.....	P 7	Sept. 1	3	245,202,200
Canada savings bonds 1954.....	S 9	Nov. 1	3 $\frac{1}{4}$	32,824,850
Loan of 1961.....	AT 6	Dec. 15	4 $\frac{1}{2}$	175,000,000
Loan of 1963.....	CT 5	Dec. 15	4 $\frac{1}{2}$	75,000,000
Loan of 1961.....	AT 9	1967 June 1	4 $\frac{1}{2}$	275,000,000
Loan of 1962.....	AT12	Oct. 1	3 $\frac{3}{4}$	100,000,000
Canada savings bonds 1955.....	S 10	Nov. 1	3 $\frac{3}{4}$	31,544,700
Loan of 1962.....	AT11	1968 Jan. 15	4 $\frac{1}{4}$	250,000,000
Loan of 1964.....	CT 8	Jan. 15	4 $\frac{1}{4}$	130,000,000
Refunding loan 1950.....	P 9	June 15	2 $\frac{3}{4}$	308,581,000
Loan of 1963.....	CT 3	Oct. 1	5	316,000,000
Canada savings bonds 1959.....	S 14	Nov. 1	5	966,256,050
Loan of 1962.....	AT16	1969 Apr. 1	5 $\frac{1}{2}$	100,000,000
Loan of 1960.....	T 39	Apr. 1	5 $\frac{1}{2}$	80,000,000
Canada savings bonds 1956.....	S 11	May 1	4	55,880,650
Loan of 1962.....	AT13	Oct. 1	5 $\frac{1}{2}$	80,000,000
Loan of 1958.....	T 24	1970 May 1	3 $\frac{3}{4}$	200,000,000
Canada savings bonds 1957.....	S 12	Nov. 1	4 $\frac{3}{4}$	434,621,700
Canada savings bonds 1960.....	S 15	Nov. 1	4 $\frac{3}{4}$	452,337,100
Canada savings bonds 1961.....	S 16	1971 Nov. 1	4 $\frac{3}{4}$	404,543,400
Conversion loan 1958.....	T 28	1972 Sept. 1	4 $\frac{1}{2}$	1,267,203,100
Canada savings bonds 1958.....	S 13	1973 Nov. 1	4 $\frac{1}{4}$	128,943,750
Loan of 1959.....	T 36	1975 Oct. 1	5 $\frac{1}{2}$	310,361,000
Canada savings bonds 1963.....	S 18	Nov. 1	4 $\frac{1}{2}$	1,097,477,450
Loan of 1960.....	T 38	1976 Apr. 1	5 $\frac{1}{2}$	436,198,000
Loan of 1954.....	T 11	June 1	3 $\frac{1}{2}$	247,046,500
Canada savings bonds 1962.....	S 17	Nov. 1	4 $\frac{1}{4}$	1,434,652,350
Loan of 1953 and 1958.....	T 5	1978 Jan. 15	3 $\frac{3}{4}$	207,911,500
Loan of 1954.....	T 13	1979 Oct. 1	3 $\frac{1}{4}$	343,246,500
Loan of 1962.....	AT14	1980 Aug. 1	5 $\frac{1}{2}$	120,000,000
Conversion loan 1958.....	T 29	1983 Sept. 1	4 $\frac{1}{2}$	1,992,679,450
Loan of 1963.....	AT21	1988 June 1	5	100,000,000
Loan of 1964.....	CT 9	June 1	5	50,000,000
Conversion loan 1956.....	T 15	1998 Mar. 15	3 $\frac{3}{4}$	197,045,000
Loan of 1936.....	P 1	Perpetual	3	55,000,000
<i>Treasury bills</i>		various	various	16,133,692,000 2,230,000,000
				18,363,692,000
PAYABLE IN NEW YORK				
<i>Bonds—</i>				
Loan of 1949.....		1974 Sept. 1	2 $\frac{3}{4}$	65,087,502
Loan of 1950.....		1975 Sept. 15	2 $\frac{3}{4}$	41,047,527
Loan of 1962.....		1987 Oct. 15	5	270,270,000
				376,405,029
				18,740,097,029

Where various rates of interest are applicable during the term of a loan the interest rate in effect at March 31, 1964 has been shown. Bonds payable in New York have been converted at the official parity rate of \$1 U.S. = \$1.08108 Canadian.

SUMMARY OF INDIRECT DEBT OR CONTINGENT LIABILITIES

	Amount outstanding March 31	
	1964	1963
Canadian National Railways securities guaranteed as to principal and interest	\$ 1,377,611,480	\$ 1,381,361,480
Other guarantees—		
Insured loans made by approved lenders under the National Housing Act, 1954 ⁽¹⁾	4,499,000,000	4,123,000,000
Loans made by lenders under Part IV of the National Housing Act, 1954 for home extensions and improvements ⁽²⁾	14,490,893	12,976,000
Chartered bank deposits in Bank of Canada.....	840,037,147	741,869,671
Export Credits Insurance Act.....	378,095,892	333,645,786
Bank loans to Canadian Wheat Board.....	151,313,429	80,331,172
Bank loans under Farm Improvement Loans Act.....	59,510,107	47,966,702
Bank loans under the Small Businesses Loans Act.....	7,990,537	5,564,559
Bank loans under the Prairie Grain Advance Payments Act.....		7,245,127
Sundry other guarantees (excluding indeterminate amounts ⁽³⁾).....	224,772	245,610
	7,328,274,257	6,734,206,107

These contingent liabilities are expressed in Canadian dollars; bonds payable in United States dollars are converted at the rate of \$1 U.S. = \$1.08108 Canadian.

⁽¹⁾As reported (in accordance with Sec. 45, National Housing Regulations) by approved lenders for their respective fiscal years ended between October 31 and December 31.

⁽²⁾As at December 31 within the fiscal year.

⁽³⁾Loans maintained by approved lending institutions under National Housing Acts prior to 1954 Act; and guarantees to owners of returns from moderate rental housing projects, in respect of which funds totalling \$3.9 million are held by Central Mortgage and Housing Corporation for the purpose of settling claims and in respect of which rental guarantee contracts totalled \$14.8 million in 1963.

EXPLANATORY NOTES

The Government's financial statements and general system of accounting differ from normally accepted commercial accounting practices. The particular aspects and significant features of these differences are more fully explained in the annual Public Accounts as tabled in the House of Commons by the Minister of Finance.

The Government's accounts are maintained on a "cash" basis in order to serve the requirements of Parliament and more particularly to ensure effective control by that body over public moneys. However, there is provision in the Financial Administration Act to permit the inclusion in the fiscal year of expenditures relating thereto which on a pure cash basis would be excluded. As an example liabilities under contracts and other accounts payable at March 31, for which cheques are issued during the month of April, are charged to expenditures in the old year and appear as current liabilities on the statement of assets and liabilities; also, loan discounts and commissions are set up as deferred charges to be amortized over the term of the loan and provision has been made for a reserve for possible losses on realization of assets. Revenues are reported on a cash basis. Consequently taxes assessed and due, other revenues receivable or accrued and other asset accruals and inventories of materials, supplies and equipment are not recorded as assets (except when these are held as charges against working capital accounts or revolving funds) nor are public works and buildings or other fixed or capital assets. Interest payable on public debt is accrued monthly but interest receivable is not accrued and is only taken to account when actually received. It should also be noted that capital works and equipment are recorded at a nominal value of \$1 as they are not considered a proper offset to the gross liabilities in determining the net debt of Canada and their costs of acquisition or construction are charged to expenditures. Furthermore, the statement of assets and liabilities, in accordance with section 64 of the Financial Administration Act, includes such of the assets and liabilities of Canada as in the opinion of the Minister of Finance are required to show the financial position of Canada at the termination of the fiscal year.

There are certain other requirements and minor variations, details of which, along with additional information and specific items in the Statement of Assets and Liabilities, are more fully explained in the annual Public Accounts.

1. Capital assets appearing on the Statement of Assets and Liabilities at a nominal value of \$1 comprise such capital assets of the Government as land, buildings, works, equipment, etc., which in accordance with long standing practice are charged to budgetary expenditures at the time of acquisition or construction.

2. The increase in net debt of \$1,150,379,480 reflects the budgetary deficit of \$619,197,480 plus adjustments of \$531,182,000 in respect of prior years' transactions which were authorized by Department of Finance Vote 68e covering the unamortized portions of the actuarial deficiencies of \$524,849,000 in the Canadian forces superannuation account and \$6,333,000 in the Royal Canadian Mounted Police superannuation account.

3. The liability in respect of annuity, insurance and pension accounts does not include any provision for additional liabilities resulting from salary and pay increases subsequent to December 31, 1957 for the public service superannuation account. The additional liability will be included in the next quinquennial actuarial valuation to be made as at December 31, 1962. During the year the unamortized portions of actuarial deficiencies in the Canadian forces superannuation account and the Royal Canadian Mounted Police superannuation account were charged to net debt in accordance with Department of Finance Vote 68e. Also, the additional liability for the Canadian forces superannuation account resulting from salary and pay increases of general application during the year was charged to expenditure in accordance with the Canadian Forces Superannuation Act, c. 21, 1959.

4. Unmatured debt includes bonds payable in New York in the amount of \$348,175,000 U.S. converted at the official parity rate of \$1 U.S. = \$1.08108 Canadian. The 1962-63 figures also include bonds payable in London in the amount of £11,425,190 converted at the official parity rate of £1 = \$3.027 Canadian which matured July 1, 1963.

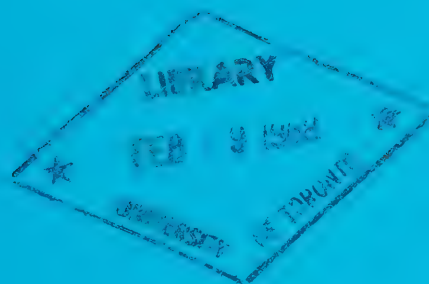


PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1965



Abridged Report



ISSUED BY THE DEPARTMENT OF FINANCE



PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1965



Abridged Report

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1965

foreword by THE MINISTER OF FINANCE

The Financial Administration Act requires that an annual report, called the Public Accounts, shall be laid before the House of Commons by the Minister of Finance on or before the 31st day of December, or if Parliament is then not in session, within fifteen days after the commencement of the next ensuing session.

The accounts of Canada are audited by the Auditor General of Canada, and his statutory certificates, as required under the Financial Administration Act, are included in the Public Accounts laid before the House of Commons.

The customary report will be presented in the usual way. However, this abridged version is presented in the belief that a wider distribution of the data contained herein may prove of value to those who desire information, in summary form, of the more significant aspects of government financial transactions during the fiscal year ended March 31, 1965.

MITCHELL SHARP,

Minister of Finance.

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HIGHLIGHTS OF THE GOVERNMENT'S FINANCIAL OPERATIONS DURING 1964-65

This section outlines the financial operations of the government giving a brief summary of the budgetary and non-budgetary transactions, the unmatured debt transactions and the change in the cash position during 1964-65 and the debt position as at March 31, 1965.

The following table summarizes the budgetary and non-budgetary transactions for 1964-65 with comparative figures for 1963-64 and indicates how these transactions affected the government's cash balances.

SUMMARY OF BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1965	1964
Budgetary transactions—		
Revenue—		
Tax.....	6,367	5,533
Non-tax.....	813	720
	<u>7,180</u>	<u>6,253</u>
Expenditure—		
Defence.....	1,586	1,730
Non-defence.....	5,632	5,142
	<u>7,218</u>	<u>6,872</u>
Deficit (—).....	<u>—38</u>	<u>—619</u>
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits—		
Repayment of advances to the exchange fund account.....		135
Repayment of other loans, investments and working capital advances.....	65	262
Repayment of temporary loans to old age security fund.....	75	
Net government annuities account receipts.....	19	20
Net insurance and pension accounts receipts.....	526	364
Other non-budgetary receipts.....	149	198
	<u>834</u>	<u>979</u>
Disbursements and charges—		
Temporary loans to old age security fund.....		58
Decrease in non-interest-bearing notes payable on demand.....	219	170
Other loans, investments and working capital advances.....	481	319
Advances to the exchange fund account.....	20	
Investments in special United States of America securities—Columbia		
River Treaty.....	219	
Other non-budgetary disbursements.....	279	95
	<u>1,218</u>	<u>642</u>
Net amount available from, or required for (—), non-budgetary transactions....	<u>—384</u>	<u>337</u>
Overall cash requirements to be financed by increase in debt or decrease in cash balances.....	—422	—282
Net increase in unmatured debt outstanding in the hands of the public.....	275	734
Net increase or decrease (—) in Receiver General bank balances.....	—147	452

Budgetary transactions

Revenue

Budgetary revenue of the government in the fiscal year 1964-65 amounted to \$7,180 million. This was \$480 million or about 7 per cent more than the March 16, 1964 forecast of \$6,700 million and \$927 million or approximately 15 per cent more than the total of \$6,253 million collected in 1963-64.

Tax revenue amounted to \$6,367 million, 89 per cent of total budgetary revenue compared with \$5,533 million or 89 per cent in 1963-64.

Non-tax revenue totalled \$813 million compared with \$720 million in 1963-64.

Expenditure

Budgetary expenditure of the government in 1964-65 amounted to \$7,218 million, \$63 million or almost one per cent higher than forecast on March 16, 1964 and \$346 million or about 5 per cent higher than expenditure in 1963-64.

Defence expenditure amounted to \$1,586 million, 22 per cent of total budgetary expenditure, compared with \$1,730 million and 25 per cent in 1963-64 and was again the largest category.

Civil or non-defence expenditure totalled \$5,632 million compared with \$5,142 million in 1963-64, an increase of \$490 million.

Deficit

Expenditure of \$7,218 million exceeded revenue of \$7,180 million resulting in a deficit of \$38 million for 1964-65 compared with a deficit of \$455 million as forecast on March 16, 1964 and the deficit of \$619 million in 1963-64.

Non-budgetary transactions (excluding unmatured debt transactions)

In the 1964-65 fiscal year non-budgetary transactions (excluding those in respect of unmatured debt) resulted in a net disbursement of \$384 million having to be financed by an increase in unmatured debt outstanding in the hands of the public or from Receiver General bank balances. In 1963-64 these transactions resulted in a net receipt of \$337 million being available for other purposes.

Old age security fund

Receipts by the fund during 1964-65 were \$960 million and exceeded payments of \$885 million by \$75 million. The increase of \$210 million in receipts was due partly to the increase from 3 per cent to 4 per cent effective January 1, 1964 in the tax on personal incomes and partly to the 3 per cent tax on building materials and production machinery and equipment which became effective January 1, 1965 and the increase of \$77 million in pension payments was partly the effect of the increased rate of payment (from \$65 to \$75 per month) which was effective October 1, 1963.

The excess of \$75 million of receipts over payments reduced outstanding temporary loans by the Minister of Finance to \$25 million at March 31, 1965.

The transactions in the account during 1964-65 compared with those for 1963-64 are as follows:

	Fiscal year ended March 31	
	1965	1964
	(in millions of dollars)	
Tax receipts.....	960	750
Pension payments.....	885	808
Excess of receipts over payments or payments over receipts (—).....	75	—58
Temporary loans by the Minister of Finance carried forward.....	—100	—42
Temporary loans by the Minister of Finance outstanding at fiscal year-end.....	25	100

Other loans, investments and working capital advances

Non-budgetary receipts and credits amounted to \$65 million and non-budgetary disbursements and charges amounted to \$481 million.

Investments in special United States of America securities—Columbia River Treaty

There was an investment of \$219 million in 1964-65 in these special securities issued by the Government of the United States pursuant to the terms of the Columbia River Treaty between that government and the Government of Canada.

Exchange fund account

There were net advances of \$20 million to the exchange fund account in 1964-65 compared with net repayments of \$135 million in 1963-64.

Non-interest-bearing notes

There was a decrease of \$219 million in these notes during 1964-65 compared with a decrease of \$170 million in 1963-64.

Insurance and pension accounts

Net receipts in these accounts amounted to \$526 million in 1964-65 as against \$364 million in 1963-64, an increase of \$162 million.

Unmatured debt transactions

Unmatured debt transactions in 1964-65 resulted in an increase of \$275 million in unmaturing debt outstanding in the hands of the public compared with an increase of \$734 million in 1963-64.

Cash position

Receiver General bank balances were \$147 million less at March 31, 1965 than at March 31, 1964. This is the amount by which the budgetary deficit of \$38 million plus non-budgetary requirements of \$384 million exceeded the increase of \$275 million in unmaturing debt outstanding in the hands of the public.

Debt position

As a result of these budgetary and non-budgetary transactions the gross public debt increased by \$650 million to \$26,573 million, net recorded assets increased by \$216 million to \$11,069 million and net debt increased by \$434 million (equivalent to the budgetary deficit of \$38 million for the fiscal year plus adjustments of \$396 million in respect of prior years' transactions) to \$15,504 million as at March 31, 1965.

THE GOVERNMENT OF CANADA

STATEMENT OF EXPENDITURE AND REVENUE

(with comparative figures)

EXPENDITURE	Fiscal year ended	
	March 31, 1965	March 31, 1964
Agriculture	\$ 165,723,844	\$ 225,681,474
Atlantic Development Board..	4,294,152	196,331
Atomic Energy.....	46,564,793	45,955,220
Auditor General's Office	1,589,889	1,258,359
Board of Broadcast Governors	367,645	341,849
Canadian Broadcasting Corporation.....	87,969,198	87,575,697
Central Mortgage and Housing Corporation..	14,952,238	13,469,874
Office of the Chief Electoral Officer..	578,175	11,875,892
Citizenship and Immigration	82,357,670	71,545,372
Civil Service Commission.....	6,226,358	5,224,776
Defence Production.....	24,146,395	22,559,354
Economic Council of Canada.....	833,873	164,824
Emergency Measures Organization..	7,653,868	6,942,249
External Affairs.....	131,186,586	97,022,596
Finance—		
Public debt charges.....	1,051,290,596	993,729,375
Fiscal, tax-sharing, subsidy and other payments to provinces	358,357,022	254,330,006
Other expenditure.....	178,427,749	158,375,231
	<i>1,588,075,367</i>	<i>1,406,434,612</i>
Fisheries	25,593,261	23,716,314
Forestry.....	49,754,438	41,815,947
Governor General and Lieutenant-Governors	648,703	524,159
Industry.....	23,788,581	19,701,651
Insurance	1,445,861	1,435,005
Justice	53,529,441	40,995,992
Labour	283,724,837	280,383,807
Legislation.....	14,214,867	12,912,533
Mines and Technical Surveys	75,237,766	67,759,325
National Capital Commission	10,354,431	12,157,998
National Defence—		
Royal Canadian Navy	272,532,495	297,972,475
Canadian Army.....	433,551,506	454,465,501
Royal Canadian Air Force	656,033,636	700,847,349
Defence research and development	54,531,462	46,053,342
Other expenditure.....	118,985,598	184,132,336
	<i>1,535,634,697</i>	<i>1,683,471,003</i>
National Film Board..	6,353,633	5,743,931
National Gallery.....	1,303,734	1,067,949
National Health and Welfare—		
Family allowances.....	545,775,231	538,312,223
Other expenditure..	751,811,068	665,542,374
	<i>1,297,586,299</i>	<i>1,203,854,597</i>
National Research Council, including the Medical Research Council.....	56,641,725	47,259,773
National Revenue...	86,908,544	82,995,521
Northern Affairs and National Resources..	80,894,715	77,334,019
Post Office	210,458,702	206,894,516
Privy Council.....	4,568,571	2,940,181
Public Archives and National Library	1,507,268	1,112,723
Public Printing and Stationery	2,732,686	2,147,045
Public Works.....	224,510,352	154,842,706
Office of the Representation Commissioner	224,521	37,006
Royal Canadian Mounted Police....	76,198,876	66,899,479
Secretary of State	21,909,881	7,568,044
Trade and Commerce	90,042,850	73,584,061
Transport..	466,947,594	423,257,874
Veterans Affairs—		
Pensions.....	180,326,163	173,164,513
Other expenditure	172,711,504	160,575,368
	<i>353,037,667</i>	<i>333,739,881</i>
Total expenditure (see pages 18 to 21)..	<i>7,218,274,552</i>	<i>6,872,401,519</i>
Budgetary deficit.....	<i>- 37,964,765</i>	<i>- 619,197,480</i>
	<i>7,180,309,787</i>	<i>6,253,204,039</i>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

N A D A

FISCAL YEAR ENDED MARCH 31, 1965

(preceding fiscal year)

REVENUE	Fiscal year ended	
	March 31, 1965	March 31, 1964
Tax revenues—		
Income Tax—		
Personal ⁽¹⁾	\$ 2,103,281,916	\$ 1,865,073,635
Corporation ⁽¹⁾	1,523,814,601	1,258,957,490
On dividends, interest, etc., going abroad.....	143,717,945	124,499,621
Excise taxes—		
Sales ⁽¹⁾	1,204,609,935	946,054,797
Other.....	269,082,084	273,415,444
Customs import duties.....	622,101,883	581,441,461
Excise duties.....	411,402,145	393,326,182
Estate tax ⁽²⁾	88,625,641	90,671,283
Miscellaneous	140,100	91,869
	6,366,776,250	5,533,531,782
Non-tax revenues—		
Return on investments.....	422,693,741	366,412,592
Post Office—net postal revenue.....	230,435,714	200,717,142
Refunds of previous years' expenditure.....	20,545,944	26,839,307
Services and service fees.....	60,924,531	51,321,056
Proceeds from sales	24,250,122	28,444,672
Privileges, licences and permits.....	30,824,939	27,172,568
Bullion and coinage.....	12,298,922	9,717,080
Premium, discount and exchange.....		232,234
Miscellaneous.....	11,559,624	8,815,606
	813,533,537	719,672,257

(1) Excluding tax credited to the old age security fund—

	1964-65	1963-64
Personal income tax.....	431,900,000	302,600,000
Corporation income tax.....	145,250,000	115,750,000
Sales tax.....	383,151,254	331,760,067

(2) Includes duties levied under the Dominion Succession Duty Act.

Total revenue.....	7,180,309,787	6,253,204,039
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Director General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

THE GOVERNMENT OF CANADA

STATEMENT OF ASSETS AND LIABILITIES

(with comparative figures for 1964)

ASSETS		March 31, 1965	March 31, 1964
Current assets—			
Cash.....	\$	850,282,135	\$ 984,642,872
Departmental working capital advances and revolving funds.....		134,150,957	168,806,488
Securities held for the securities investment account at amortized cost..		57,119,872	99,859,788
Other current assets.....		29,134,994	33,484,613
		<u>1,070,687,958</u>	<u>1,286,793,761</u>
Advances to the exchange fund account—(value of investments from advances on basis of official parity rate March 31, 1965, \$2,653,406,754; official parity rate March 31, 1964, \$2,631,200,188).....		2,621,000,000	2,601,000,000
Investments in special United States of America securities— Columbia River Treaty.....		219,479,161	
Sinking fund and other investments held for retirement of unmatured debt..		5,441,198	
Loans to, and investments in, Crown corporations (<i>see</i> page 25).....		4,996,301,176	4,584,194,507
Loans to national governments.....		1,206,576,551	1,195,684,799
Other loans and investments—			
Subscriptions to capital of, and working capital advances and loans to, international organizations...		709,753,537	702,130,003
Loans to provincial governments.....		98,435,806	113,651,578
Veterans land act advances (less reserve for conditional benefits)..		231,322,169	216,970,307
Miscellaneous.....		99,869,916	165,064,212
		<u>1,139,381,428</u>	<u>1,197,816,100</u>
Securities held in trust.....		53,059,934	38,881,823
Deferred charges—			
Unamortized portions of actuarial deficiencies—			
Canadian forces superannuation account..		53,761,600	
Public service superannuation account.....		39,920,800	276,661,000
Royal Canadian Mounted Police superannuation account.....		4,153,600	
Unamortized loan flotation costs.....		110,749,442	123,699,586
		<u>208,585,442</u>	<u>400,360,586</u>
Suspense accounts.....			141,392
Capital assets (<i>see</i> note 1 page 28).....		1	1
Inactive loans and investments.....		94,824,381	94,824,381
Total recorded assets.....		<u>11,615,337,230</u>	<u>11,399,697,350</u>
Less: Reserve for losses on realization of assets.....		<u>—546,384,065</u>	<u>—546,384,065</u>
Net recorded assets.....		<u>11,068,953,165</u>	<u>10,853,313,285</u>
Net debt, represented by excess of liabilities over net recorded assets (<i>see</i> note 2 page 28)..		<u>15,504,472,544</u>	<u>15,070,149,452</u>
		<u>26,573,425,709</u>	<u>25,923,462,737</u>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

CANADA

LIABILITIES AS AT MARCH 31, 1965

(March 31, 1964)

LIABILITIES

	March 31, 1965	March 31, 1964
Current and demand liabilities—		
Outstanding treasury cheques..	\$ 315,077,233	\$ 319,625,031
Accounts payable (that portion paid in April of the next following fiscal year).....	363,925,315	342,673,020
Non-interest-bearing notes payable to the international monetary fund and the international development association	367,897,531	586,996,025
Matured debt outstanding	19,140,916	26,820,208
Interest due and outstanding.....	102,034,032	91,893,490
Interest accrued.....	231,173,522	215,973,372
Other current liabilities.....	33,367,648	35,710,909
	1,432,616,197	1,619,692,055
Deposit and trust accounts.....	272,311,590	196,454,123
Annuity, insurance and pension accounts (<i>see note 3 page 28</i>)	5,675,840,853	5,131,053,811
Undisbursed balances of appropriations to special accounts.....	95,702,607	111,601,270
Deferred credits.....	113,208,312	119,446,821
Suspense accounts.....	5,531,971	5,117,628
Unmatured debt (<i>see page 26</i>)—		
Bonds (<i>see note 4 page 28</i>)	16,838,214,179	16,510,097,029
Treasury bills.....	2,140,000,000	2,230,000,000
	18,978,214,179	18,740,097,029
Total liabilities.....	26,573,425,709	25,923,462,737

NOTE: The indirect or contingent liabilities of the Government of Canada, consisting of railway securities guaranteed as to principal and interest, \$1,368,297,986; other guarantees of \$6,597,743,540; together with certain indeterminate guarantees, are listed on page 27.

Director General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1965	1964
Budgetary transactions—		
Revenue.....	7,180.3	6,253.2
Expenditure.....	—7,218.3	—6,872.4
Deficit.....	—38.0	—619.2
Non-budgetary transactions (excluding unmatured debt transactions) (net)—		
Receipts and credits.....	833.5	598.2
Disbursements and charges.....	—1,217.7	—261.5
Net amount received from, or required for (—), non-budgetary transactions.....	—384.2	336.7
Overall cash requirement (—) to be financed by increase in unmatured debt or decrease in cash balances.....	—422.2	—282.5
Net increase in unmatured debt outstanding in the hands of the public—		
Unmatured debt—		
Bonds ⁽¹⁾	328.1	713.3
Treasury bills.....	—90.0	65.0
	238.1	778.3
Securities investment account ⁽²⁾	42.8	—66.4
Sinking fund and other investments.....	—5.4	22.3
	275.5	734.2
Net increase or decrease (—) in Receiver General bank balances..	—146.7	451.7

⁽¹⁾Includes an increase of \$43 million in 1964–65 and a decrease of \$12 million in 1963–64 in special non-marketable bonds issued to the Unemployment Insurance Commission.

⁽²⁾Excluding securities other than government issues.

NON-BUDGETARY RECEIPTS AND CREDITS

(in millions of dollars)

	Fiscal year ended March 31	
	1965	1964
Repayments of loans, investments and advances—		
Agricultural commodities stabilization account.....	40.8	75.0
Royal Canadian Mint.....	10.7	— 2.2
Canadian Commercial Corporation.....	2.0	4.0
Canadian Overseas Telecommunication Corporation.....	0.4	— 6.2
The St. Lawrence Seaway Authority.....	6.5	— 24.9
Northern Ontario Pipe Line Crown Corporation.....		110.6
Provincial governments.....	4.8	0.5
Old age security fund.....	75.0	— 58.3
	140.2	98.5
Annuity, insurance and pension accounts.....	544.8	384.0
Other receipts and credits—		
Provincial tax collection agreements account.....	59.2	2.7
Unamortized loan flotation costs.....	13.0	7.9
Accounts payable.....	21.2	75.3
Interest due and outstanding.....	10.1	12.4
Interest accrued.....	15.2	19.0
Crown corporations deposits.....	13.1	— 16.4
Guarantee deposits.....	7.2	14.8
Security deposits—Municipal Development and Loan Board.....	9.5	
	148.5	115.7
	833.5	598.2

NON-BUDGETARY DISBURSEMENTS AND CHARGES

(in millions of dollars)

	Fiscal year ended March 31	
	1965	1964
Loans, investments and advances—		
Stockpiling of uranium concentrates.....	10.9	13.5
Exchange fund account.....	20.0	—135.0
Special United States of America securities (Columbia River Treaty).....	219.5	
Atomic Energy of Canada Limited.....	12.0	0.4
Canadian Broadcasting Corporation.....	14.3	
Canadian National Railways (including Air Canada).....	23.3	—28.4
Central Mortgage and Housing Corporation.....	221.7	113.3
Export Credits Insurance Corporation.....	33.4	23.4
Farm Credit Corporation.....	102.4	69.9
National Capital Commission.....	6.9	12.1
National Harbours Board.....	1.7	5.5
Northern Canada Power Commission.....	5.4	3.4
National governments.....	10.9	—15.1
Subscriptions to capital of the International Development Association.....	7.9	7.9
Veterans land act advances.....	14.3	21.0
Municipal Development and Loan Board.....	7.6	
Other.....	7.9	—12.1
	720.1	79.8
Other disbursements and charges—		
Cash in hands of collectors and in transit.....	12.4	21.5
Securities held in trust.....	14.2	12.9
Unamortized portions of actuarial deficiencies.....	217.5	2.8
Outstanding treasury cheques.....	4.5	—53.3
Non-interest-bearing notes payable on demand.....	219.1	170.3
Undisbursed balances of appropriations to special accounts.....	15.9	8.4
Deferred credits.....	6.2	—11.7
Other.....	7.8	30.8
	497.6	186.7
	1,217.7	261.5

BUDGETARY EXPENDITURE CLASSIFIED BY FUNCTION

(in millions of dollars)

	Fiscal year ended March 31			
	1965		1964	
	Amount	Per cent	Amount	Per cent
Defence.....	1,585.7	22.0	1,730.0	25.2
Health, welfare and social security ⁽¹⁾	1,555.7	21.6	1,409.7	20.5
Public debt charges.....	1,051.3	14.6	993.7	14.5
Payments to provincial and municipal governments ⁽²⁾	399.1	5.5	290.3	4.2
Veterans affairs.....	353.0	4.9	333.7	4.9
Transportation and communications.....	883.7	12.2	785.6	11.4
Resources and industrial development.....	567.3	7.9	596.0	8.7
Education.....	149.6	2.1	181.7	2.6
International co-operation.....	103.8	1.4	72.2	1.0
General government.....	528.8	7.3	466.3	6.8
Unclassified.....	40.3	0.5	13.2	0.2
	7,218.3	100.0	6,872.4	100.0

⁽¹⁾Pension payments out of the old age security fund are not included.

⁽²⁾Does not include those payments made to provincial and municipal governments for specific purposes.

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Civil salaries and wages	Civilian allowances	Pay and allowances, Defence Forces and R.C.M. Police	Professional and special services	Travelling and removal expenses
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	Agriculture.....	52,729,030	159,601		2,227,523	3,501,485
2	Atlantic Development Board.....	96,908			517,627	11,922
3	Atomic Energy.....	129,566			1,243	12,663
4	Auditor General's Office.....	1,466,855			7,044	87,858
5	Board of Broadcast Governors.....	266,138	36,000		8,968	32,959
6	Canadian Broadcasting Corporation.....					
7	Central Mortgage and Housing Corporation.....					
8	Office of the Chief Electoral Officer.....	101,708			10,608	1,342
9	Citizenship and Immigration.....	23,820,236	1,048,936		10,748,971	1,762,900
10	Civil Service Commission.....	4,925,678	6,488		147,587	203,400
11	Defence Production.....	12,829,000	253,795		192,152	427,601
12	Economic Council of Canada.....	643,165			67,786	54,878
13	Emergency Measures Organization.....	1,117,902	1,245		237,891	59,264
14	External Affairs.....	13,276,510	5,169,919		168,175	2,650,026
15	Finance.....	24,571,353	103,342		285,932	337,724
16	Fisheries.....	13,186,719	287,049		211,801	1,036,161
17	Forestry.....	7,499,471	2,012		159,453	513,567
18	Governor General and Lieutenant-Governors.....	386,635	210,908			5,367
19	Industry.....	2,593,454	6,526		126,223	194,634
20	Insurance.....	726,396			5,000	26,015
21	Justice.....	29,136,264	24,306		1,000,081	554,306
22	Labour.....	50,633,270	51,169		2,914,305	1,318,566
23	Legislation.....	9,256,251	1,890,758		10,211	451,819
24	Mines and Technical Surveys.....	21,057,753	159,465		2,107,629	1,067,167
25	National Capital Commission.....					
26	National Defence.....	188,856,474	906,503	561,987,677	38,837,314	37,231,098
27	National Film Board.....					
28	National Gallery of Canada.....	393,533			158,876	30,352
29	National Health and Welfare.....	26,193,800	1,007,638		8,757,125	1,230,165
30	National Research Council, including the Medical Research Council.....	20,845,206	75,823		783,000	505,344
31	National Revenue.....	78,724,689	114,639		890,934	2,300,109
32	Northern Affairs and National Resources.....	18,740,512	1,410,123		2,515,320	1,416,207
33	Post Office.....	133,327,037	834,814		151,953	599,857
34	Privy Council.....	933,027	25,834		45,618	40,754
35	Public Archives and National Library.....	1,189,301	2,626		65,909	8,344
36	Public Printing and Stationery.....	880,032			6,102	8,182
37	Public Works.....	38,034,836	1,300,889	329,908	3,247,414	986,806
38	Office of the Representation Commissioner.....	25,000				
39	Royal Canadian Mounted Police.....	5,074,520	22,961	44,601,680	1,375,530	2,390,967
40	Secretary of State.....	3,953,889	2,012		401,295	117,079
41	Trade and Commerce.....	21,796,435	1,748,970		1,006,657	1,396,621
42	Transport— Department.....	84,453,716	1,840,479		7,632,729	3,673,911
42	Canadian Maritime Commission.....	182,136				11,293
42	National Harbours Board.....					
43	Veterans Affairs.....	57,723,781	65,068		12,685,818	857,923
		951,778,186	18,769,898	606,919,265	99,717,804	67,116,636

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1965

Freight, express and cartage	Postage	Telephones, telegrams and other communi- cation services	Publication of departmental reports and other material	Exhibits, advertising, films, broadcasting and displays	Office stationery, supplies, equipment and furnishings	Materials and supplies	Section (Public Accounts, Volume II)
(6)	(7)	(8)	(9)	(10)	(11)	(12)	
\$	\$	\$	\$	\$	\$	\$	
194,520	119,512	460,721	276,832	50,073	1,153,461	3,550,401	1
	250	4,765	847		3,984		2
	250	2,892	651		4,867		3
78	250	8,867	8,053		10,321		4
97	100	4,995			13,590		5
				2,099,976			6
	200	1,682			936		7
134,007	202,274	401,791	161,152	404,112	503,774	7,699,199	8
11,473	28,490	73,000	15,012	390,338	293,993	6,060	9
148,444	74,892	283,705	16,510	1,079	1,010,933	8,809	10
661	148	10,899	7,993	90	32,422	1,110	11
3,524	2,226	28,912	37,079	25,563	44,595	119,491	12
123,235	206,954	2,851,667	177,278	61,996	898,434	283,129	13
346,911	2,399,140	147,128	135,534	102,639	2,270,720	219,727	14
56,281	36,416	182,977	125,065	84,584	217,754	2,004,972	15
17,369	10,719	74,100	132,152	31,076	187,670	374,091	16
14	598	17,000		525	7,565	2,444	17
4,639	6,315	35,671	14,908	147,780	111,661	64	18
383	600	4,200	113,853		20,508		19
29,103	30,004	130,640	516,069	312,128	364,742	4,654,586	20
149,789	1,148,044	945,611	281,005	1,144,092	1,739,334	35,822	21
7,177	1,538	115,320	1,635,577		284,565	80,005	22
261,814	22,535	153,227	192,236	63,048	489,116	3,263,858	23
4,541,241	719,929	24,063,985	2,482,262	668,403	5,677,029	104,618,927	24
				6,046,000			25
2,087	593	8,952	69,625	271,858	31,374	33,074	26
219,289	147,897	297,313	301,527	158,159	572,717	5,593,305	27
89,376	40,136	169,584	684,919	50,629	1,008,845	4,965,835	28
177,072	1,166,825	504,427	94,815	205,479	2,645,014	953,869	29
1,146,239	40,401	275,354	143,262	112,596	284,930	4,373,222	30
72,080		220,983	123,885	266,984	874,709	3,510,930	31
	780	51,332	16		51,609	7,731	32
863	399	6,927	41,237		93,117	1,575	33
53,201	39,200	9,241	1,515,151	83,552	105,170	32,268	34
419,676	39,911	399,327	5,505	51,362	2,501,465	7,584,887	35
184,587	147,968	495,614	22,720	11,170	509,720	3,707,207	36
11,626	5,812	41,478	69,348	57,829	115,658	71,614	37
423,819	202,201	339,163	1,637,405	5,007,559	1,514,602	86,615	38
1,094,526	114,996	6,387,419	163,678	20,293	1,417,850	9,119,947	39
	40	5,004	1,230	538	3,601		40
63,270	169,746	392,539	16,123	23,037	482,174	10,333,641	41
9,988,471	7,128,289	39,608,412	11,220,514	17,954,547	27,554,529	177,298,415	42
							43

Continued

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Buildings and works, including land			Equipment		
		Construc- tion or acquisition	Repairs and upkeep	Rentals	Construc- tion or acquisition	Repairs and upkeep	Rentals
		(13)	(14)	(15)	(16)	(17)	(18)
		\$	\$	\$	\$	\$	\$
1	Agriculture.....	24,485,961	1,979,717	280,099	2,720,153	1,030,219	99,729
2	Atlantic Development Board						
3	Atomic Energy.....	14,150,657			3,176,484		
4	Auditor General's Office...						
5	Board of Broadcast Governors						
6	Canadian Broadcasting Corporation..						
7	Central Mortgage and Housing Corpo- ration.....						
8	Office of the Chief Electoral Officer.....				2,449		
9	Citizenship and Immigration.....	11,303,234	2,591,232	219,011	1,422,299	201,927	
10	Civil Service Commission.....			16,684	6,549		
11	Defence Production.....	3,603		25,293	977,785	46,581	
12	Economic Council of Canada.....						
13	Emergency Measures Organization.....	78,898	42,887		683,434	33,422	
14	External Affairs.....	698,217	358,726	953,203	881,451	234,546	239
15	Finance.....			3,100	90,231	71,702	
16	Fisheries.....	1,177,774	303,743	40,810	1,306,526	763,856	678,946
17	Forestry.....	2,432,772	329,168	4,160	820,081	166,705	36,029
18	Governor General and Lieutenant- Governors.....				16,152	1,081	
19	Industry.....						
20	Insurance.....						
21	Justice.....	12,535,539	299,677	7,214	1,106,376	265,763	1,240
22	Labour.....			1,698	6,421	2,378	
23	Legislation.....					364	
24	Mines and Technical Surveys.....	399,388	47,291	22,062	4,255,188	894,895	1,772,692
25	National Capital Commission						
26	National Defence.....	31,909,654	38,416,386	7,810,655	224,919,328	139,927,034	118,512
27	National Film Board.....				307,633		
28	National Gallery of Canada.....				38,236	1,295	
29	National Health and Welfare.....	1,495,250	333,930	158,597	946,990	172,140	229
30	National Research Council, including the Medical Research Council.....	4,174,392	426,897		358,069	358,547	
31	National Revenue.....	113,454	117,907	19,690	68,131	13,417	
32	Northern Affairs and National Resources.....	19,625,670	2,823,353	25,052	2,432,085	1,050,071	675,404
33	Post Office.....			12,167	1,121,209	350,360	99,181
34	Privy Council.....						
35	Public Archives and National Library...			164	11,221	1,999	
36	Public Printing and Stationery.....						
37	Public Works.....	61,409,129	11,840,508	8,878,492	2,618,369	1,655,288	152,043
38	Office of the Representation Commissioner.....						
39	Royal Canadian Mounted Police.....	1,413,511	444,629	660,538	2,458,945	1,832,751	114,105
40	Secretary of State.....	1,570,991		60,000	63,607	5,464	5,952
41	Trade and Commerce.....	374,135	98,476	487,839	223,203	16,288	
42	Transport—						
42	Department.....	46,307,297	5,445,584	232,511	29,469,534	7,076,496	2,540,299
42	Canadian Maritime Commission						
42	National Harbours Board.....	7,575,740			1,123		
43	Veterans Affairs.....	1,397,769	1,036,809		894,370	306,197	
		244,633,035	66,936,920	19,919,039	283,403,632	156,480,786	6,294,600

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1965

Municipal or public utility services	Contri- butions, grants, subsidies, etc. not included elsewhere	Pensions, super- annuation and other benefits	All other expenditures (other than special categories 23-33)	Special categories	Total standard objects and special categories	Less expenditure recovered	Net total expenditure	Section (Public Accounts, Volume II)
(19)	(20)	(21)	(22)	(23)-(33)	(1)-(33)	(34)		
\$	\$	\$	\$	\$	\$	\$	\$	
929,811	74,523,165	19,880	277,559		170,769,452	5,045,608	165,723,844	1
	3,642,509	6,175	9,165		4,294,152		4,294,152	2
	1,250,000		(1)34,856,061		53,585,334	7,020,541	46,564,793	3
			563		1,589,889		1,589,889	4
			4,798		367,645		367,645	5
	85,869,222				87,969,198		87,969,198	6
	562,595		14,389,643		14,952,238		14,952,238	7
			459,250		578,175		578,175	8
298,176	5,549,749	36,946	13,847,744		82,357,670		82,357,670	9
	1,454		100,152		6,226,358		6,226,358	10
227,172		2,497	7,837,009		24,366,860	220,465	24,146,395	11
			14,721		833,873		833,873	12
26,219	4,927,236		184,080		7,653,868		7,653,868	13
438,843	101,017,661	112,968	724,628		131,287,805	101,219	131,186,586	14
35,725,609	30,240,836	80,583,763	792,358	(2)1,409,647,618	1,588,075,367		1,588,075,367	15
144,351	1,778,245	17,452	2,267,615		25,909,097	315,836	25,593,261	16
104,385	35,435,616	4,773	1,419,069		49,754,438		49,754,438	17
		6	408		648,703		648,703	18
	36,600		20,510,106		23,788,581		23,788,581	19
			548,906		1,445,861		1,445,861	20
321,592	271,809	1,403,663	899,061		53,864,163	334,722	53,529,441	21
2,076	158,044,422	2,341,233	815,347	(3)62,150,255	283,724,837		283,724,837	22
	45,027	271,070	165,185		14,214,867		14,214,867	23
57,307	38,910,004	16,715	98,420		75,311,810	74,044	75,237,766	24
			10,985,728		10,985,728	631,297	10,354,431	25
23,513,385	31,510,095	82,069,726	22,226,070		1,573,011,687	37,376,990	1,535,634,697	26
	11,200		252,679		6,353,633		6,353,633	27
762,965	3,044,452	590	1,430,521	(4)1,244,761,700	1,303,734		1,303,734	28
					1,297,586,299		1,297,586,299	29
615,489	26,268,249		205,190		61,625,530	4,983,805	56,641,725	30
49,002		5,835	16,809		88,182,117	1,273,573	86,908,544	31
2,287,364	22,314,120	53,373	882,202		82,626,860	1,722,145	80,894,715	32
6,881	34,474	161,652	40,176	(5)68,649,370	210,458,702		210,458,702	33
	125,000	11	3,286,859		4,568,571		4,568,571	34
			140,004		1,563,686	56,418	1,507,268	35
			587		2,732,686		2,732,686	36
6,743,729	171,078	67,446	87,561	(6)76,085,112	224,610,741	100,389	224,510,352	37
			199,521		224,521		224,521	38
639,092	17,035	8,459,744	1,613,882		76,198,876		76,198,876	39
	14,000,580	30,670	1,324,977		21,909,881		21,909,881	40
42,917	34,701,351	36,393	18,932,201		90,072,850	30,000	90,042,850	41
								42
3,527,049	121,565,097	273,239	33,180,912	(7)54,034,660	419,572,222	836,647	418,735,575	42
	40,291,217		140,097		40,635,156		40,635,156	42
					7,576,863		7,576,863	42
642,574	2,067,204	58,958	2,386,539	(8)284,711,512	376,315,052	23,277,385	353,037,667	43
77,105,988	838,227,302	176,034,778	197,554,363	3,200,040,227	7,301,685,636	83,411,084	7,218,274,552	

(1) This item (22) includes \$34,850,738 in respect of the Atomic Energy of Canada Limited research program.
(2) Interest on public debt, etc. (23) \$1,051,290,596; subsidies and special payments to provinces (24) \$358,357,022.
(3) Government's contribution to the unemployment insurance fund (29) \$62,150,255.
(4) Family allowances and youth allowances payments (25) \$572,645,046; old age assistance, blind persons allowances, disabled persons allowances and unemployment assistance (26) \$181,534,525; hospital insurance and general health grants (30) \$490,582,129.
(5) Movement of mail by land, air and water (32) \$68,649,370.
(6) Trans-Canada highway contributions (31) \$76,085,112.
(7) Deficits—government-owned enterprises (33) \$54,034,660.
(8) Veterans disability pensions, etc. (27) \$180,300,375; other payments to veterans and dependents (28) \$104,411,137.

SUMMARY OF REVENUE BY MAIN CLASSIFICATIONS AND

Section (Public Accounts, Volume II)	Department	Tax revenues	Return on investments	Bullion and coinage	Postal revenue
		\$	\$	\$	\$
1	Agriculture.....		349,801		
3	Atomic Energy.....		348,430		
4	Auditor General's Office.....				
5	Board of Broadcast Governors				
6	Canadian Broadcasting Corporation.....				
7	Central Mortgage and Housing Corporation.....		93,349,200		
8	Office of the Chief Electoral Officer.....				
9	Citizenship and Immigration.....		37,704		
10	Civil Service Commission				
11	Defence Production.....		5,593,577		
12	Economic Council of Canada....				
13	Emergency Measures Organization..				
14	External Affairs.....		1,393,626		
15	Finance.....		262,586,245	12,298,922	
16	Fisheries.....		640,351		
17	Forestry....				
19	Industry...				
20	Insurance.....	138,249			
21	Justice.....		393,873		
22	Labour.....		2,142		
23	Legislation				
24	Mines and Technical Surveys.....		188,393		
26	National Defence.....		1,092,391		
27	National Film Board.....				
28	National Gallery of Canada.....				
29	National Health and Welfare.....		82		
30	National Research Council including Medical Re- search Council.....		376		
31	National Revenue.....	6,366,636,150	1,545		
32	Northern Affairs and National Resources.....	1,851	504,820		
33	Post Office.....		2,770		230,435,714
34	Privy Council.....				
35	Public Archives and National Library.....		8,731		
36	Public Printing and Stationery.....				
37	Public Works.....				
39	Royal Canadian Mounted Police.....		15,342		
40	Secretary of State.....				
41	Trade and Commerce.....		4,549,451		
42	Transport.....		43,290,115		
43	Veterans Affairs.....		8,344,776		
		6,366,776,250	422,693,741	12,298,922	230,435,714

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1965

Privileges, licences and permits	Proceeds from sales	Services and service fees	Refunds of previous years' expenditure	Miscellaneous	Total	Section (Public Accounts, Volume II)
\$	\$	\$	\$	\$	\$	
1,619,656	1,388,211	7,090,450	258,698	58,916	10,765,732	1
			187		348,617	3
		12,098	666		12,764	4
			75	770	845	5
	3,135				3,135	6
	5,007,046		452,847	1,440,342	100,249,435	7
			10	2,300	2,310	8
973,095	96,999	98,396	222,580	364,207	1,792,981	9
		14	60		74	10
	9,865,343	143,480	14,032	27,035	15,643,467	11
			136		136	12
15,423	1,200	683	79,961	84,509	181,776	13
1,124,198	40,497	12,117	145,019	13,448	2,728,905	14
	41	2,941,334	430,396	674,288	278,931,226	15
128,664	126,788	28,605	11,141	41,892	977,441	16
116,453	54,901	4,260	95,111	1,301	272,026	17
			102,353		102,353	19
		829,919		370	968,538	20
2,300,936	307,083	278,409	90,470	316,534	3,687,305	21
	3,604	1,817	1,336,462	833,888	2,177,913	22
165,090		4,132	1,267	4,362	174,851	23
27,175	547,873	7,442	24,701	21,824	817,408	24
1,632,864	2,549,913	2,239,917	11,879,908	3,368,595	22,763,588	26
			91,799		91,799	27
			2,677	20,567	23,244	28
346,792	167,769	5,037,912	934,841	56,501	6,543,897	29
			77,643	377	78,396	30
207,672	110,559	566,000	5,954	1,744,682	6,369,272,562	31
4,460,173	676,186	574,700	552,040	155,819	6,925,589	32
	17,214		6,954	26,042	230,488,694	33
			5,017	5,001	10,018	34
		9,334	4,676	178	22,919	35
77,212	1,853,174	12,257		19,017	1,961,660	36
2,524,840	116,468	857,946	650,677	464,076	4,614,007	37
767,035	453,611	15,937,270	173,732	145,157	17,492,147	39
494,913	2,484	172,387	384	279	670,447	40
23,685	1,108	2,353,172	25,179	1,398,883	8,351,478	41
13,777,077	820,893	21,710,480	733,822	141,352	80,473,739	42
41,985	38,022		2,134,469	127,112	10,686,365	43
30,824,939	24,250,122	60,924,531	20,545,944	11,559,624	7,180,309,787	

RETURN ON INVESTMENTS

	Fiscal year ended March 31	
	1965	1964
Loans to, and investments in, Crown corporations—		
Bank of Canada—profits.....	\$ 128,237,791	\$ 116,386,459
Canadian National Railways.....	11,600,623	13,018,261
Canadian Overseas Telecommunication Corporation.....	2,706,069	2,586,288
Central Mortgage and Housing Corporation.....	93,349,200	85,525,349
Eldorado Mining and Refining Limited.....	1,500,000	2,000,000
Export Credits Insurance Corporation.....	3,047,451	1,061,310
Farm Credit Corporation.....	13,933,528	10,869,021
National Capital Commission.....	2,857,664	2,319,216
National Harbours Board.....	3,367,317	3,409,511
Northern Canada Power Commission.....	2,105,449	1,647,897
Northern Ontario Pipe Line Crown Corporation.....		1,582,864
Polymer Corporation.....	4,000,000	3,500,000
The St. Lawrence Seaway Authority.....	43,065,460	2,568,183
Miscellaneous.....	1,351,921	444,159
	<i>311,122,473</i>	<i>246,918,518</i>
Other loans and investments—		
United Kingdom.....	1,199,041	21,140,905
Other national governments.....	5,184,353	5,159,899
Provincial governments.....	1,163,853	1,347,121
Profit resulting from exchange of bonds.....	886,112	2,648,874
Soldier and general land settlement loans and veterans land act advances.....	8,308,223	7,372,939
Exchange fund account.....	63,551,542	62,594,241
Securities investment account.....	5,617,763	1,409,844
Interest-bearing deposits with chartered banks.....	19,639,468	13,702,314
Miscellaneous.....	6,020,913	4,117,937
	<i>111,571,268</i>	<i>119,494,074</i>
	422,693,741	366,412,592

GOVERNMENT OF CANADA EQUITY IN CROWN CORPORATIONS AS AT MARCH 31, 1965

Corporation	Recorded government equity	Unrecorded government equity	Total government equity
	\$	\$	\$
Agency—			
Atomic Energy of Canada Limited.....	65,698,140	(1) 5,647,632	71,345,772
Canadian Arsenals Limited.....	7,500,000	30	7,500,030
Canadian Commercial Corporation.....	3,500,000	225,000	3,725,000
Canadian National (West Indies) Steamships Limited.....	325,000	217,418	542,418
Canadian Patents and Development Limited.....	296,199	889,447	1,185,646
Crown Assets Disposal Corporation.....	* 5,537,581	100,000	5,637,581
Defence Construction (1951) Limited.....		30	30
The National Battlefields Commission.....		1,503,871	1,503,871
National Capital Commission.....	59,851,485	57,164,195	117,015,680
National Harbours Board.....	199,833,291	294,096,644	493,929,935
Northern Canada Power Commission.....	27,796,569	(2) 10,957,898	38,754,467
Park Steamship Company Limited.....		5,601	5,601
	370,338,265	370,807,766	741,146,031
Proprietary—			
Air Canada.....		1,783,450	1,783,450
Canadian Broadcasting Corporation.....	17,250,000	37,939,385	55,189,385
Canadian National Railways.....	(3) 1,434,853,989	796,844,785	2,231,698,774
Canadian Overseas Telecommunication Corporation.....	55,054,044	12,538,946	67,592,990
Central Mortgage and Housing Corporation.....	2,137,843,646	(4) 19,417,197	2,157,260,843
Cornwall International Bridge Company Limited.....		- 4,545	- 4,545
Eldorado Aviation Limited.....		227,683	227,683
Eldorado Mining and Refining Limited.....	(5) 8,246,877	43,754,567	52,001,444
Export Credits Insurance Corporation.....	91,767,056	(6) 12,050,497	103,817,553
Farm Credit Corporation.....	441,340,880	14,719,976	456,060,856
Northern Transportation Company Limited.....		6,796,600	6,796,600
Polymer Corporation Limited.....	30,000,000	60,442,003	90,442,003
The St. Lawrence Seaway Authority.....	409,224,000	65,610,262	474,834,262
	4,625,580,492	1,072,120,806	5,697,701,298
Other—			
Bank of Canada.....	(7) 5,920,000	24,080,000	30,000,000
Canadian Corporation for the 1967 World Exhibition.....		5,926,264	5,926,264
Industrial Development Bank.....		17,483,262	17,483,262
Northern Ontario Pipe Line Crown Corporation.....		693,715	693,715
	5,920,000	48,183,241	54,103,241
	5,001,838,757	1,491,111,813	6,492,950,570
*Government equity in agency account recorded in schedule G— “Other loans and investments—miscellaneous”.....	- 5,537,581		
Total per schedule E—“Loans to, and investments in, Crown corporations”.....	4,996,301,176		

Total government equity represents the loans, advances and proprietary equities as shown in the financial reports of Crown corporations at their respective years ended coincident with, or immediately prior to, the fiscal year ended March 31, 1965 plus any adjustments for additional advances to, or repayments by, the corporations from their year-end dates to March 31, 1965 as follows: National Harbours Board \$523,939, Canadian National Railways, \$4,100,106, Central Mortgage and Housing Corporation, \$73,279,207, Export Credits Insurance Corporation, \$11,219,776 and The St. Lawrence Seaway Authority, \$24,273,233.

Included in the unrecorded equity of the Government of Canada in Crown corporations are those amounts which, although designated by certain Crown corporations as proprietor's equity, have been financed by the Government of Canada and charged to government expenditures or to net debt, and have been fully expended in the acquisition of the Crown corporation's capital assets.

The equity of the Crown in subsidiary companies, represented by capital stock, is included in the equity of the parent companies. The St. Lawrence Seaway Authority owns a 50% equity in the Cornwall International Bridge Company Limited and the Seaway International Bridge Corporation Ltd. Eldorado Aviation Limited and Northern Transportation Company Limited are wholly-owned subsidiaries of Eldorado Mining and Refining Limited. Air Canada is a wholly-owned subsidiary of Canadian National Railways. The Industrial Development Bank is a wholly-owned subsidiary of the Bank of Canada.

(1) Includes accrued interest, \$3,135,779.

(2) Includes accrued interest, \$344,925.

(3) Includes advances to Air Canada re 1965 income deficit, \$3,578,000 and loans in respect of Yarmouth-Bar Harbour ferry service, \$714,668.

(4) Includes accrued interest, \$14,417,197.

(5) Includes premium on acquisition of capital stock, \$1,660,797.

(6) Includes accrued interest, \$2,331,064.

(7) Includes premium on acquisition of capital stock, \$920,000.

UNMATURED DEBT INCLUDING TREASURY BILLS OF CANADA ON MARCH 31, 1965

		Date of maturity	Rate per cent	Amount of loan
PAYABLE IN CANADA—				
<i>Bonds—</i>				
Loan of 1962 and 1963.....	AT 15	1965 Apr. 1	4 $\frac{1}{4}$	110,000,000
Loan of 1963.....	CT 2	Apr. 1	4 $\frac{1}{4}$	90,000,000
Loan of 1964.....	CT 10	July 1	3 $\frac{1}{2}$	400,000,000
Conversion loan 1958.....	T 27	Sept. 1	3 $\frac{1}{2}$	449,890,000
Canada savings bonds 1953.....	S 8	Nov. 1	3 $\frac{1}{2}$	45,266,400
Loan of 1964.....	CT 13	Dec. 1	3 $\frac{1}{2}$	325,000,000
Loan of 1963.....	AT 19	1966 Feb. 1	3 $\frac{1}{2}$	225,000,000
Loan of 1964.....	CT 7	Feb. 1	3 $\frac{1}{2}$	105,000,000
Loan of 1965.....	CT 16	May 1	3 $\frac{1}{2}$	175,000,000
Ninth victory loan.....	P 7	Sept. 1	3	245,202,200
Canada savings bonds 1954.....	S 9	Nov. 1	3 $\frac{1}{2}$	28,185,400
Loan of 1961.....	AT 6	Dec. 15	4 $\frac{1}{2}$	175,000,000
Loan of 1963 and 1964.....	CT 5	Dec. 15	4 $\frac{1}{2}$	125,000,000
Loan of 1961 and 1963.....	AT 9	1967 June 1	4 $\frac{1}{2}$	275,000,000
Loan of 1962.....	AT 12	Oct. 1	3 $\frac{1}{2}$	100,000,000
Loan of 1964.....	CT 14	Oct. 1	3 $\frac{1}{2}$	75,000,000
Canada savings bonds 1955.....	S 10	Nov. 1	3 $\frac{1}{2}$	26,913,300
Loan of 1962.....	AT 11	1968 Jan. 15	4 $\frac{1}{2}$	250,000,000
Loan of 1964.....	CT 8	Jan. 15	4 $\frac{1}{2}$	130,000,000
Refunding loan 1950.....	P 9	June 15	2 $\frac{3}{4}$	308,581,000
Loan of 1963 and 1964.....	CT 3	Oct. 1	5	441,000,000
Canada savings bonds 1959.....	S 14	Nov. 1	5	912,294,950
Loan of 1960.....	T 39	1969 Apr. 1	5 $\frac{1}{2}$	80,000,000
Loan of 1962.....	AT 16	Apr. 1	5 $\frac{1}{2}$	100,000,000
Canada savings bonds 1956.....	S 11	May 1	4	48,414,300
Loan of 1964.....	CT 11	July 1	5	325,000,000
Loan of 1962.....	AT 13	Oct. 1	5 $\frac{1}{2}$	80,000,000
Loan of 1958.....	T 24	1970 May 1	3 $\frac{1}{2}$	200,000,000
Canada savings bonds 1957.....	S 12	Nov. 1	4 $\frac{1}{2}$	387,767,250
Canada savings bonds 1960.....	S 15	Nov. 1	5	414,227,500
Loan of 1964.....	CT 15	1971 June 1	5	350,000,000
Canada savings bonds 1961.....	S 16	Nov. 1	4 $\frac{1}{2}$	343,561,150
Conversion loan 1958.....	T 28	1972 Sept. 1	4 $\frac{1}{2}$	1,267,203,100
Loan of 1965.....	CT 17	1973 Oct. 1	5	275,000,000
Canada savings bonds 1958.....	S 13	Nov. 1	4 $\frac{1}{2}$	109,223,150
Canada savings bonds 1964.....	S 19	1974 Nov. 1	4 $\frac{1}{2}$	1,011,171,500
Loan of 1959.....	T 36	1975 Oct. 1	5 $\frac{1}{2}$	310,361,000
Canada savings bonds 1963.....	S 18	Nov. 1	4 $\frac{1}{2}$	939,492,650
Loan of 1960.....	T 38	1976 Apr. 1	5 $\frac{1}{2}$	436,198,000
Loan of 1954.....	T 11	June 1	3 $\frac{1}{2}$	247,046,500
Canada savings bonds 1962.....	S 17	Nov. 1	4 $\frac{1}{2}$	1,285,926,750
Loan of 1953 and 1958.....	T 5	1978 Jan. 15	3 $\frac{1}{2}$	207,911,500
Loan of 1954.....	T 13	1979 Oct. 1	3 $\frac{1}{2}$	343,246,500
Loan of 1962.....	AT 14	1980 Aug. 1	5 $\frac{1}{2}$	120,000,000
Conversion loan 1958.....	T 29	1983 Sept. 1	4 $\frac{1}{2}$	1,992,679,450
Loan of 1963.....	AT 21	1988 June 1	5	100,000,000
Loan of 1964.....	CT 9	June 1	5	50,000,000
Conversion loan 1956.....	CT 12	1990 May 1	5 $\frac{1}{2}$	125,000,000
Loan of 1936.....	T 15	1998 Mar. 15	3 $\frac{1}{2}$	197,045,000
Special non-marketable bonds (Unemployment Insurance Commission).....	P 1	Perpetual	3	55,000,000
			4 $\frac{1}{8}$	43,000,000
<i>Treasury bills.....</i>		various	various	16,461,809,150
				2,140,000,000
				18,601,809,150
PAYABLE IN NEW YORK—				
<i>Bonds—</i>				
Loan of 1949.....		1974 Sept. 1	2 $\frac{3}{4}$	65,087,502
Loan of 1950.....		1975 Sept. 15	2 $\frac{3}{4}$	41,047,527
Loan of 1962.....		1987 Oct. 15	5	270,270,000
				376,405,029
				18,978,214,179

Where various rates of interest are applicable during the term of a loan the interest rate in effect at March 31, 1965 has been used. Bonds payable in New York have been converted at the official parity rate of \$1 U.S. = \$1.08108 Canadian.

SUMMARY OF INDIRECT DEBT OR CONTINGENT LIABILITIES

	Amount outstanding March 31	
	1965	1964
Canadian National Railways securities guaranteed as to principal and interest....	\$1,368,297,986	\$ 1,377,611,480
Other guarantees—		
Insured loans made by approved lenders under the National Housing Act, 1954 ⁽¹⁾	4,934,000,000	4,499,000,000
Loans made by lenders under Part IV of the National Housing Act, 1954 for home extensions and improvements ⁽²⁾	15,863,475	14,490,893
Chartered bank deposits in Bank of Canada.....	897,218,288	840,037,147
Export Credits Insurance Act.....	468,643,662	378,095,892
Bank loans to Canadian Wheat Board.....	169,770,000	151,313,429
Bank loans under Farm Improvement Loans Act.....	63,945,589	59,510,107
Bank loans under the Small Businesses Loans Act.....	10,582,576	7,990,537
Bank loans under the Canada Student Loans Act ⁽³⁾	37,459,073	
Sundry other guarantees (excluding indeterminate amounts ⁽⁴⁾).....	260,877	224,772
	7,966,041,526	7,328,274,257

These contingent liabilities are expressed in Canadian dollars; bonds payable in United States dollars are converted at the rate of \$1 U.S. = \$1.08108 Canadian.

⁽¹⁾As reported (in accordance with Sec. 45, National Housing Regulations) by approved lenders for their respective fiscal years ended between October 31 and December 31.

⁽²⁾As at December 31 within the fiscal year.

⁽³⁾As at March 31, 1965. Includes contingent liability in respect of alternative payments to non-participating provinces.

⁽⁴⁾Loans maintained by approved lending institutions under National Housing Acts prior to 1954 Act; and guarantees to owners of returns from moderate rental housing projects, in respect of which funds totalling \$3.9 million are held by Central Mortgage and Housing Corporation for the purpose of settling claims and in respect of which rental guarantee contracts totalled \$14.8 million in 1963.

EXPLANATORY NOTES

The Government's financial statements and general system of accounting differ from normally accepted commercial accounting practices. The particular aspects and significant features of these differences are more fully explained in the annual Public Accounts as tabled in the House of Commons by the Minister of Finance.

The Government's accounts are maintained on a "cash" basis in order to serve the requirements of Parliament and more particularly to ensure effective control by that body over public moneys. However, there is provision in the Financial Administration Act to permit the inclusion in the fiscal year of expenditures relating thereto which on a pure cash basis would be excluded. As an example liabilities under contracts and other accounts payable at March 31, for which cheques are issued during the month of April, are charged to expenditures in the old year and appear as current liabilities on the statement of assets and liabilities; also, loan discounts and commissions are set up as deferred charges to be amortized over the term of the loan and provision has been made for a reserve for possible losses on realization of assets. Revenues are reported on a cash basis. Consequently taxes assessed and due, other revenues receivable or accrued and other asset accruals and inventories of materials, supplies and equipment are not recorded as assets (except when these are held as charges against working capital accounts or revolving funds) nor are public works and buildings or other fixed or capital assets. Interest payable on public debt is accrued monthly but interest receivable is not accrued and is only taken to account when actually received. It should also be noted that capital works and equipment are recorded at a nominal value of \$1 as they are not considered a proper offset to the gross liabilities in determining the net debt of Canada and their costs of acquisition or construction are charged to expenditures. Furthermore, the statement of assets and liabilities, in accordance with section 64 of the Financial Administration Act, includes such of the assets and liabilities of Canada as in the opinion of the Minister of Finance are required to show the financial position of Canada at the termination of the fiscal year.

There are certain other requirements and minor variations, details of which, along with additional information and specific items in the Statement of Assets and Liabilities, are more fully explained in the annual Public Accounts.

1. Capital assets appearing on the Statement of Assets and Liabilities at a nominal value of \$1 comprise such capital assets of the Government as land, buildings, works, equipment, etc., which in accordance with long standing practice are charged to budgetary expenditures at the time of acquisition or construction.

2. The increase in net debt of \$434,323,092 reflects the budgetary deficit of \$37,964,765 plus adjustments in respect of prior years' transactions of \$396,358,327, covering the unamortized portion of the actuarial deficiency in the public service superannuation account as at March 31, 1964 in the amount of \$276,661,000 together with the additional liability resulting from the quinquennial actuarial valuation made as at December 31, 1962 amounting to \$119,556,000, as authorized by Department of Finance Vote 24d and the deletion from the accounts of Canada of the balance in the cheque adjustment suspense account in the amount of \$141,327 as authorized by Department of Finance Vote 27d.

3. Additional liabilities for the public service superannuation account, the Canadian forces superannuation account and the Royal Canadian Mounted Police superannuation account arising out of pay increases authorized in 1963-64 and 1964-65 have been credited to these accounts and charged to deferred charges and are being amortized over a five year period commencing in 1964-65 in accordance with Department of Finance Vote 16d and amendments to the three superannuation acts assented to June 2, 1965.

4. Unmatured debt includes bonds payable in New York in the amount of \$348,175,000 U.S. converted at the official parity rate of \$1 U.S. = \$1.08108 Canadian.

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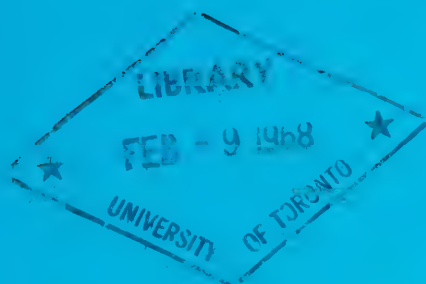


PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1966



Abridged Report



ISSUED BY THE DEPARTMENT OF FINANCE



PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1966



Abridged Report

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1966

foreword by THE MINISTER OF FINANCE

The Financial Administration Act requires that an annual report, called the Public Accounts, shall be laid before the House of Commons by the Minister of Finance on or before the 31st day of December, or if Parliament is then not in session, within fifteen days after the commencement of the next ensuing session.

The accounts of Canada are audited by the Auditor General of Canada, and his statutory certificates, as required under the Financial Administration Act, are included in the Public Accounts laid before the House of Commons.

The customary report will be presented in the usual way. However, this abridged version is presented in the belief that a wider distribution of the data contained herein may prove of value to those who desire information, in summary form, of the more significant aspects of government financial transactions during the fiscal year ended March 31, 1966.

MITCHELL SHARP,

Minister of Finance.

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HIGHLIGHTS OF THE GOVERNMENT'S FINANCIAL OPERATIONS DURING 1965-66

This section outlines the financial operations of the government giving a brief summary of the budgetary and non-budgetary transactions, the unmatured debt transactions and the change in the cash position during 1965-66 and the debt position as at March 31, 1966.

The following table summarizes the budgetary and non-budgetary transactions for 1965-66 with comparative figures for 1964-65 and indicates how these transactions affected the government's cash balances.

SUMMARY OF BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1966	1965
Budgetary transactions—		
Revenue—		
Tax.....	6,850	6,367
Non-tax.....	846	813
	<u>7,696</u>	<u>7,180</u>
Expenditure—		
Defence.....	1,595	1,586
Non-defence.....	6,140	5,632
	<u>7,735</u>	<u>7,218</u>
Deficit (—).....	<u>—39</u>	<u>—38</u>
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits—		
Repayment of temporary loans to old age security fund.....	25	75
Net annuity, insurance and pension accounts receipts.....	716	545
Investments in special United States of America securities—		
Columbia River Treaty.....	32	
Other non-budgetary receipts.....	260	149
	<u>1,033</u>	<u>769</u>
Disbursements and charges—		
Decrease in non-interest-bearing notes payable on demand.....	113	219
Other loans, investments and working capital advances (net).....	853	416
Advances to the exchange fund account.....	75	20
Investments in special United States of America securities—		
Columbia River Treaty.....		219
Other non-budgetary disbursements.....	113	279
	<u>1,154</u>	<u>1,153</u>
Net amount required for non-budgetary transactions.....	<u>—121</u>	<u>—384</u>
Overall cash requirements to be financed by increase in debt or decrease in cash balances.....	—160	—422
Net increase in unmatured debt outstanding in the hands of the public.....	113	275
Net decrease in Receiver General bank balances.....	—47	—147

Budgetary transactions

Revenue

Budgetary revenue of the government in the fiscal year 1965-66 amounted to \$7,696 million. This was \$346 million or about 5 per cent more than the April 26, 1965 forecast of \$7,350 million and \$516 million or approximately 7 per cent more than the total of \$7,180 million collected in 1964-65.

Tax revenue amounted to \$6,850 million, 89 per cent of total budgetary revenue compared with \$6,367 million or 89 per cent in 1964-65.

Non-tax revenue totalled \$846 million compared with \$813 million in 1964-65.

Expenditure

Budgetary expenditure of the government in 1965-66 amounted to \$7,735 million, \$85 million or about one per cent higher than forecast on April 26, 1965 and \$517 million or about 7 per cent higher than expenditure in 1964-65.

Defence expenditure amounted to \$1,595 million, 21 per cent of total budgetary expenditure, compared with \$1,586 million and 22 per cent in 1964-65 and was again the largest category.

Civil or non-defence expenditure totalled \$6,140 million compared with \$5,632 million in 1964-65, an increase of \$508 million.

Deficit

Expenditure of \$7,735 million exceeded revenue of \$7,696 million resulting in a deficit of \$39 million for 1965-66 compared with a deficit of \$300 million as forecast on April 26, 1965 and the deficit of \$38 million in 1964-65.

Non-budgetary transactions (excluding unmatured debt transactions)

In the 1965-66 fiscal year non-budgetary transactions (excluding those in respect of unmatured debt) resulted in a net disbursement of \$121 million having to be financed by an increase in unmatured debt outstanding in the hands of the public or from Receiver General bank balances compared with \$384 million in 1964-65.

Old age security fund

Receipts by the fund during 1965-66 were \$1,169 million and exceeded payments of \$927 million by \$242 million. The increase of \$209 million in receipts was due mainly to the 3 per cent tax on sales of building materials and production machinery and equipment effective January 1, 1965. The increase of \$42 million in pension payments was due mainly to an increase in the number of pensioners as a result of the lowering of the eligible age requirement effective January 1, 1966.

The excess of \$242 million of receipts over payments enabled the fund to repay the \$25 million in temporary loans to the fund by the Minister of Finance which were outstanding at March 31, 1965 and resulted in a credit balance of \$217 million in the fund at March 31, 1966.

The transactions in the account during 1965-66 compared with those for 1964-65 are as follows:

	Fiscal year ended March 31	
	1966	1965
	(in millions of dollars)	
Tax receipts.....	1,169	960
Pension payments.....	927	885
Excess of receipts over payments.....	242	75
Temporary loans by the Minister of Finance carried forward.....	-25	-100
Balance in old age security fund at fiscal year-end.....	217	-25

Other loans, investments and working capital advances

There was a net disbursement of \$853 million for loans, investments and working capital advances compared with \$416 million in 1964-65.

Investments in special United States of America securities—Columbia River Treaty

During 1965-66 securities in the amount of \$32 million were redeemed leaving a balance of \$187 million at March 31, 1966 compared with a balance of \$219 million at March 31, 1965.

Exchange fund account

There were net advances of \$75 million to the exchange fund account in 1965-66 compared with net advances of \$20 million in 1964-65.

Non-interest-bearing notes

There was a decrease of \$113 million in these notes during 1965-66 compared with a decrease of \$219 million in 1964-65.

Annuity, insurance and pension accounts

Net receipts in these accounts amounted to \$716 million in 1965-66 as against \$545 million in 1964-65, an increase of \$171 million.

Unmatured debt transactions

Unmatured debt transactions in 1965-66 resulted in an increase of \$113 million in unmatured debt outstanding in the hands of the public compared with an increase of \$275 million in 1964-65.

Cash position

Receiver General bank balances were \$47 million less at March 31, 1966 than at March 31, 1965. This is the amount by which the budgetary deficit of \$39 million plus non-budgetary requirements of \$121 million exceeded the increase of \$113 million in unmatured debt outstanding in the hands of the public.

Debt position

As a result of these budgetary and non-budgetary transactions the gross public debt increased by \$919 million to \$27,483 million, net recorded assets increased by \$880 million to \$11,940 million and net debt increased by \$39 million (equivalent to the budgetary deficit for the fiscal year) to \$15,543 million as at March 31, 1966.

THE GOVERN

STATEMENT OF EXPENDITURE AND REVENUE

(with comparative

EXPENDITURE	Fiscal year ended	
	March 31, 1966	March 31, 1965
Agriculture.....	\$ 186,263,616	\$ 165,723,844
Atlantic Development Board.....	23,755,359	4,294,152
Atomic Energy.....	54,450,175	46,564,793
Auditor General's Office.....	1,741,901	1,589,889
Board of Broadcast Governors.....	382,787	367,645
Canada Emergency Measures Organization.....	7,744,257	7,653,868
Canadian Broadcasting Corporation.....	97,458,915	87,969,198
Central Mortgage and Housing Corporation.....	21,571,958	14,952,238
Office of the Chief Electoral Officer.....	12,953,140	578,175
Citizenship and Immigration.....	238,567,080	180,996,919
Civil Service Commission.....	7,986,854	6,226,358
Defence Production.....	23,438,183	22,827,469
Economic Council.....	1,116,362	833,874
External Affairs.....	152,545,955	131,186,586
Finance—		
Public debt charges.....	1,110,857,197	1,051,290,597
Fiscal, tax-sharing, subsidy and other payments to provinces.....	465,993,282	358,357,022
Other expenditure.....	273,828,954	212,994,726
	<u>1,850,679,433</u>	<u>1,622,642,345</u>
Fisheries.....	34,526,476	25,593,261
Forestry.....	57,134,577	49,754,438
Governor General and Lieutenant-Governors.....	690,556	648,703
Industry.....	29,301,149	23,788,581
Insurance.....	1,512,059	1,445,862
Justice.....	11,367,814	10,644,700
Labour.....	23,993,711	23,402,111
Legislation.....	14,711,823	14,214,867
Mines and Technical Surveys.....	107,357,514	94,324,195
National Capital Commission.....	18,621,111	10,354,431
National Defence—		
Defence forces.....	1,363,042,550	1,362,117,636
Defence research and development.....	72,579,782	54,531,462
Other expenditure.....	112,824,452	121,185,765
	<u>1,548,446,784</u>	<u>1,537,834,863</u>
National Film Board.....	6,891,335	6,353,633
National Gallery of Canada.....	1,815,626	1,303,734
National Health and Welfare—		
Family allowances.....	551,734,824	545,775,231
Other expenditure.....	623,387,205	754,823,195
	<u>1,175,122,029</u>	<u>1,300,598,426</u>
National Research Council, including the Medical Research Council.....	74,387,029	56,641,725
National Revenue.....	94,971,980	86,908,544
Northern Affairs and National Resources.....	156,433,733	127,306,117
Post Office.....	240,206,458	210,458,702
Privy Council.....	8,981,878	8,175,312
Public Archives and National Library.....	1,973,514	1,507,268
Public Printing and Stationery.....	3,053,651	2,732,686
Public Works.....	256,526,107	224,057,562
Office of the Representation Commissioner.....	774,892	224,521
Royal Canadian Mounted Police.....	81,958,846	76,198,876
Secretary of State.....	23,996,532	21,909,880
Solicitor General.....	56,875,181	39,278,001
Trade and Commerce.....	46,073,789	54,796,650
Transport.....	508,743,513	466,519,143
Unemployment Insurance Commission.....	98,037,727	94,792,046
Veterans Affairs—		
Pensions.....	185,559,325	180,326,163
Other expenditure.....	184,092,831	171,772,198
	<u>369,652,156</u>	<u>352,098,361</u>
Total expenditure (see pages 18 to 21).....	<u>7,734,795,525</u>	<u>7,218,274,552</u>
Budgetary deficit.....	<u>-38,975,321</u>	<u>-37,964,765</u>
	<u>7,695,820,204</u>	<u>7,180,309,787</u>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance,

ANADA

FISCAL YEAR ENDED MARCH 31, 1966

(preceding fiscal year)

REVENUE

	Fiscal year ended	
	March 31, 1966	March 31, 1965
Tax revenues—		
Income tax—		
Personal ⁽¹⁾	\$ 2,142,456,230	\$ 2,103,281,917
Corporation ⁽¹⁾	1,606,620,322	1,523,814,601
On dividends, interest, etc., going abroad.....	170,018,708	143,717,945
Excise taxes—		
Sales ⁽¹⁾	1,395,128,921	1,204,609,934
Other.....	296,178,098	269,082,084
Customs import duties.....	685,519,390	622,101,883
Excise duties.....	445,885,434	411,402,145
Estate tax ⁽²⁾	108,352,377	88,625,641
Miscellaneous.....	160,612	140,100
	6,850,320,092	6,366,776,250
Non-tax revenues—		
Return on investments.....	438,254,129	422,693,741
Post Office—net postal revenue.....	237,482,296	230,435,714
Refunds of previous years' expenditure.....	18,918,607	20,545,944
Services and service fees.....	63,147,602	60,924,531
Proceeds from sales.....	22,934,877	24,250,122
Privileges, licences and permits.....	38,965,653	30,824,939
Bullion and coinage.....	11,217,545	12,298,922
Premium, discount and exchange.....	125,538	
Miscellaneous.....	14,453,865	11,559,624
	845,500,112	813,533,537

⁽¹⁾Excluding tax credited to the old age security fund—

	1965-66	1964-65
Personal income tax.....	\$ 494,900,000	\$ 431,900,000
Corporation income tax.....	152,250,000	145,250,000
Sales tax.....	522,085,844	383,151,254

⁽²⁾Includes duties levied under the Dominion Succession Duty Act.

Total revenue.....	7,695,820,204	7,180,309,787
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ditor General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

THE GOVERNMENT OF CANADA
STATEMENT OF ASSETS AND LIABILITIES
(with comparative figures)

ASSETS		<i>March 31, 1966</i>	<i>March 31, 1965</i>
Current assets—			
Cash.....	\$	759,080,004	\$ 850,282,135
Departmental working capital advances.....		120,576,475	133,404,495
Securities held for the securities investment account at amortized cost....		81,475,697	62,561,070
Other current assets.....		54,861,735	29,134,994
		<i>1,015,993,911</i>	<i>1,075,382,694</i>
Blocked currency.....		1,002,400	
Advances to the exchange fund account—(value of investments from advances on basis of official parity rate March 31, 1966, \$2,728,743,488, official parity rate March 31, 1965, \$2,653,406,754).....		2,696,000,000	2,621,000,000
Investments in special United States of America securities—			
Columbia River Treaty.....		187,191,661	219,479,161
Canada pension plan investment fund.....		34,853,000	
Loans to, and investments in, Crown corporations.....		5,553,149,458	4,948,235,201
Recovery likely to require parliamentary appropriations.....		105,925,113	48,065,976
		<i>5,659,074,571</i>	<i>4,996,301,177</i>
Loans to national governments.....		1,215,490,449	1,195,888,072
Recovery likely to require parliamentary appropriations.....		9,722,194	10,688,479
		<i>1,225,212,643</i>	<i>1,206,576,551</i>
Other loans and investments—			
Subscriptions to capital of, and working capital advances and loans to, international organizations.....		724,695,231	709,753,536
Loans to provincial governments.....		96,723,106	98,435,806
Veterans land act fund (less reserve for conditional benefits).....		256,191,461	232,068,630
Miscellaneous.....		181,395,361	96,023,632
Recovery likely to require parliamentary appropriations.....		4,207,529	3,846,285
		<i>1,263,212,688</i>	<i>1,140,127,889</i>
Securities held in trust.....		51,956,505	43,585,370
Deferred charges—			
Unamortized portions of actuarial deficiencies—			
Canadian forces superannuation account.....		53,601,200	53,761,600
Public service superannuation account.....		93,620,600	39,920,800
Royal Canadian Mounted Police superannuation account.....		3,115,200	4,153,600
Unamortized loan flotation costs ..		106,217,789	110,749,442
		<i>256,554,789</i>	<i>208,585,442</i>
Capital assets.....		1	1
Inactive loans and investments.....		94,824,381	94,824,381
Total recorded assets.....		<i>12,485,876,550</i>	<i>11,605,862,666</i>
Less: Reserve for losses on realization of assets.....		<i>— 546,384,065</i>	<i>— 546,384,065</i>
Net recorded assets.....		<i>11,939,492,485</i>	<i>11,059,478,601</i>
Net debt, represented by excess of liabilities over net recorded assets.....		<i>15,543,447,865</i>	<i>15,504,472,544</i>
		<i>27,482,940,350</i>	<i>26,563,951,145</i>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

ANADA

IES AS AT MARCH 31, 1966

March 31, 1965)

LIABILITIES

	<i>March 31, 1966</i>	<i>March 31, 1965</i>
Current and demand liabilities—		
Outstanding treasury cheques.....	\$ 332,859,574	\$ 315,077,232
Accounts payable (that portion paid in April of the next following fiscal year).....	380,308,616	363,925,315
Non-interest-bearing notes payable to the international monetary fund and the international development association.....	255,388,518	367,897,531
Matured debt outstanding.....	27,324,686	19,140,916
Interest due and outstanding.....	110,930,898	102,034,032
Interest accrued.....	254,292,555	231,173,522
Other current liabilities.....	37,731,247	33,367,648
	<i>1,398,836,094</i>	<i>1,432,616,196</i>
Deposit and trust accounts.....	310,728,861	262,837,026
Annuity, insurance and pension accounts.....	6,392,132,945	5,675,840,853
Undisbursed balances of appropriations to special accounts.....	101,945,175	95,702,607
Deferred credits.....	138,119,215	113,208,312
Suspense accounts.....	31,390,931	5,531,972
Unmatured debt—		
Bonds.....	16,959,787,129	16,838,214,179
Treasury bills.....	2,150,000,000	2,140,000,000
	<i>19,109,787,129</i>	<i>18,978,214,179</i>

NOTE: The indirect or contingent liabilities of the Government of Canada, consisting of railway securities guaranteed as to principal and interest, \$1,331,547,986; other guarantees of \$7,321,187,000; together with certain indeterminate guarantees, are listed on page 27.

Total liabilities.....	<u>27,482,940,350</u>	<u>26,563,951,145</u>
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auditor General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1966	1965
Budgetary transactions—		
Revenue.....	7,695.8	7,180.3
Expenditure.....	—7,734.8	—7,218.3
Deficit.....	—39.0	—38.0
Non-budgetary transactions (excluding unmatured debt transactions) (net)—		
Receipts and credits.....	1,032.5	542.1
Disbursements and charges.....	—1,153.4	—926.3
Net amount required for non-budgetary transactions.....	—120.9	—384.2
Overall cash requirement to be financed by increase in un- matured debt or decrease in cash balances.....	—159.9	—422.2
Net increase in unmatured debt outstanding in the hands of the public—		
Unmatured debt—		
Bonds ⁽¹⁾	121.6	328.1
Treasury bills.....	10.0	—90.0
	131.6	238.1
Securities investment account ⁽²⁾	—19.0	37.4
	112.6	275.5
Net decrease in Receiver General bank balances.....	—47.3	—146.7

⁽¹⁾Includes increases of \$101 million in 1965–66 and \$43 million in 1964–65 in special non-marketable bonds issued to the Unemployment Insurance Commission.

⁽²⁾Excluding securities other than government issues.

NON-BUDGETARY RECEIPTS AND CREDITS

(in millions of dollars)

	Fiscal year ended March 31	
	1966	1965
Repayment of loans, investments and advances—		
Agricultural commodities stabilization account.....	17.8	40.8
Defence production revolving fund.....	7.6	—2.4
Royal Canadian Mint.....	3.9	10.7
Canadian Arsenals Limited.....	2.5	
Canadian Overseas Telecommunication Corporation.....	2.6	0.4
Provincial governments.....	1.7	4.8
Old age security fund.....	25.0	75.0
Special United States of America securities (Columbia River Treaty).....	32.3	—219.5
	93.4	—90.2
Annuity, insurance and pension accounts.....	716.3	544.8
Other receipts and credits—		
Cash in hands of collectors and in transit.....	43.9	—12.4
Unamortized loan flotation costs.....	4.6	12.9
Outstanding treasury cheques.....	17.8	—4.5
Accounts payable.....	16.4	21.3
Matured debt.....	8.2	—7.7
Interest due and outstanding.....	8.9	10.1
Interest accrued.....	23.1	15.2
Provision for estimated premium on redemption of bonds.....	15.0	
Provincial tax collection agreements accounts.....	17.5	59.2
Undisbursed balances of appropriations to special accounts.....	6.2	—15.9
Deferred credits.....	24.9	—6.2
Surplus Crown assets.....	9.1	
Miscellaneous.....	27.2	15.5
	222.8	87.5
	1,032.5	542.1

NON-BUDGETARY DISBURSEMENTS AND CHARGES

(in millions of dollars)

	Fiscal year ended March 31	
	1966	1965
Loans, investments and advances—		
Stockpiling of uranium concentrates.....	12.7	10.9
Veterans land act fund.....	24.1	14.3
Atomic Energy of Canada Limited.....	11.9	12.0
Canadian Broadcasting Corporation.....	12.5	14.3
Canadian Commercial Corporation.....	2.0	-2.0
Canadian Corporation for the 1967 World Exhibition.....	44.0	
Canadian National Railways (including Air Canada).....	59.8	23.3
Central Mortgage and Housing Corporation.....	315.1	221.7
Export Credits Insurance Corporation.....	36.4	33.4
Farm Credit Corporation.....	147.0	102.4
National Capital Commission.....	7.4	6.9
National Harbours Board.....	3.0	1.7
Northern Canada Power Commission.....	2.1	5.4
The St. Lawrence Authority.....	26.7	-6.5
National governments.....	18.6	10.9
Subscription to capital of the international development association.....	15.0	7.9
Exchange fund account.....	75.0	20.0
Municipal development and loan board advances.....	101.3	7.6
Miscellaneous.....	13.1	5.5
	927.7	489.7
Other disbursements and charges—		
Moneys received after March 31 but applicable to current year.....	25.9	
Canada pension plan investment account.....	34.9	
Unamortized portions of actuarial deficiencies in the superannuation accounts.....	52.4	217.5
Non-interest-bearing notes payable on demand.....	112.5	219.1
	225.7	436.6
	1,153.4	926.3

BUDGETARY EXPENDITURE CLASSIFIED BY FUNCTION

(in millions of dollars)

	Fiscal year ended March 31			
	1966		1965	
	Amount	Per cent	Amount	Per cent
Defence.....	1,595.0	20.6	1,585.7	22.0
Health, welfare and social security ⁽¹⁾	1,458.2	18.9	1,558.7	21.6
Public debt charges.....	1,110.9	14.4	1,051.3	14.6
Payments to provincial and municipal governments ⁽²⁾	508.3	6.6	399.0	5.5
Veterans affairs.....	369.7	4.8	352.1	4.9
Transportation and communications.....	977.1	12.6	883.2	12.2
Resources and industrial development.....	702.2	9.1	584.3	8.1
Education.....	188.1	2.4	130.6	1.8
International co-operation.....	121.8	1.5	103.7	1.4
General government.....	678.5	8.8	528.5	7.3
Unclassified.....	25.0	0.3	41.2	0.6
	7,734.8	100.0	7,218.3	100.0

⁽¹⁾Pension payments out of the old age security fund are not included.

⁽²⁾Does not include those payments made to provincial and municipal governments for specific purposes.

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Civil salaries and wages	Civilian allowances	Pay and allowances, Defence Forces and R.C.M. Police	Professional and special services	Travelling and removal expenses
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	Agriculture.....	58,492,528	189,149		2,692,850	3,467,588
2	Atlantic Development Board.....	251,010			456,470	30,259
3	Atomic Energy.....	148,618			1,711	20,306
4	Auditor General's Office.....	1,617,719			3,911	84,738
5	Board of Broadcast Governors.....	280,319	30,400		27,296	21,063
6	Canada Emergency Measures Organization	1,220,916	2,898		308,727	53,062
7	Canadian Broadcasting Corporation.....					
8	Central Mortgage and Housing Corpora- tion.....					
9	Office of the Chief Electoral Officer.....	212,306			11,128	378
10	Citizenship and Immigration.....	34,127,444	661,564		407,319	1,497,549
11	Civil Service Commission.....	6,323,604	2,365		170,622	263,035
12	Defence Production.....	15,637,364	259,383		322,108	498,351
13	Economic Council of Canada.....	862,701			108,888	62,059
14	External Affairs.....	15,281,761	6,183,791		259,146	2,743,834
15	Finance.....	26,440,794	129,549		466,482	389,826
16	Fisheries.....	14,797,544	292,638		383,158	1,148,111
17	Forestry.....	8,715,110	2,000		209,315	587,977
18	Governor General and Lieutenant- Governors.....	424,182	212,948			5,541
19	Industry.....	3,828,066	16,711		171,576	301,404
20	Insurance.....	763,641			5,000	22,235
21	Justice.....	9,272,544	22,703		304,063	381,630
22	Labour.....	2,948,264	32,149		1,238,859	111,229
23	Legislation.....	9,818,018	1,886,997		86,177	281,890
24	Mines and Technical Surveys.....	26,928,376	163,774		2,316,820	1,609,825
25	National Capital Commission.....					
26	National Defence.....	188,856,538	911,564	583,739,679	51,738,912	38,280,113
27	National Film Board.....					
28	National Gallery of Canada.....	446,673			177,890	31,218
29	National Health and Welfare.....	30,043,346	1,032,261		9,643,900	1,390,929
30	National Research Council, including the Medical Research Council.....	23,312,207	250,499		2,252,627	579,313
31	National Revenue.....	85,581,478	249,797		921,770	2,856,442
32	Northern Affairs and National Resources....	34,093,259	1,908,301		14,509,605	2,741,864
33	Post Office.....	157,348,949	2,020,379		156,552	684,098
34	Privy Council.....	4,249,962	28,698		222,879	108,741
35	Public Archives and National Library.....	1,555,368	3,320		84,454	12,495
36	Public Printing and Stationery.....	1,011,048			397	9,847
37	Public Works.....	41,015,479	1,204,233		4,359,796	958,048
38	Office of the Representation Commissioner	25,000				
39	Royal Canadian Mounted Police.....	5,488,761	20,270	46,901,329	1,514,036	2,749,407
40	Secretary of State.....	4,970,933	2,000		683,980	206,322
41	Solicitor General.....	19,717,169	14,575		977,445	331,732
42	Trade and Commerce.....	24,139,490	2,108,604		1,196,447	1,589,762
43	Transport.....	95,666,263	1,810,389		8,418,995	4,365,326
44	Unemployment Insurance Commission.....	27,097,839	3,818		1,568,217	780,761
45	Veterans Affairs.....	60,584,229	266,454		13,252,934	887,444
		1,043,596,820	21,924,181	630,641,008	121,632,462	72,145,752

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1966

Freight, express and cartage	Postage	Telephones, telegrams and other communi- cation services	Publication of departmental reports and other material	Exhibits, advertising, films, broadcasting and displays	Office stationery, supplies, equipment and furnishings	Materials and supplies	Section (Public Accounts, Volume II)
(6)	(7)	(8)	(9)	(10)	(11)	(12)	
\$	\$	\$	\$	\$	\$	\$	
212,650	126,618	542,355	340,379	99,126	1,267,690	3,899,454	1
	800	8,642	940		21,617		2
	250	3,064	1,123		4,324		3
125	379	9,649	11,825		13,034		4
103	120	5,144			13,369		5
4,379	2,833	38,977	34,494	44,067	55,884	95,269	6
				2,396,281			7
							8
36	200	1,728			962		9
83,290	469,950	963,343	253,205	1,555,032	954,821	151,034	10
14,981	37,595	96,000	19,682	529,497	341,970	13,833	11
159,549	74,961	335,727	83,281	2,911	1,185,529	24,795	12
1,175	132	16,060	12,099	109	39,476		13
171,994	227,250	2,924,510	197,962	62,704	1,132,570	293,503	14
349,501	2,499,878	172,069	144,921		1,680,019	232,431	15
62,570	38,641	226,619	167,939	141,587	261,165	2,143,219	16
15,439	11,806	116,547	165,580	74,893	257,233	426,345	17
	555	20,400		390	9,365	4,146	18
8,760	6,235	75,501	88,777	178,525	205,017	15	19
311	600	4,729	152,000		18,989		20
2,589	2,518	49,818	18,369		119,851	336	21
6,672	6,918	58,099	181,220	442,287	199,473		22
5,573	1,704	118,808	1,430,245		281,459	81,054	23
297,386	29,841	239,011	215,372	91,102	570,816	3,332,808	24
							25
3,835,387	708,831	22,217,835	2,696,585	943,170	5,765,663	97,941,187	26
				6,485,200			27
5,072	571	11,838	59,507	195,351	45,458	47,765	28
193,533	187,608	341,909	315,388	298,958	669,317	5,207,218	29
68,501	42,107	207,519	750,079	220,025	1,135,889	5,739,151	30
193,059	1,308,675	559,601	124,512	494,624	2,873,784	1,009,186	31
1,509,031	82,725	585,488	202,272	254,522	608,827	12,583,041	32
86,311	235,286	158,755	302,638	1,177,116	3,864,236		33
3,665	8,035	119,646	545,525		171,142	8,254	34
2,480	1,200	8,951	48,994		142,553	2,872	35
32,383	39,200	11,161	1,779,011	65,753	68,547	30,696	36
438,227	41,030	401,158	8,038	10,414	4,368,810	6,520,488	37
							38
202,503	163,255	543,569	24,476	36,156	556,204	3,872,894	39
19,801	8,336	80,881	107,024	260,607	214,210	72,084	40
25,938	21,232	80,713	5,966	66,210	210,299	5,142,386	41
483,832	243,343	434,921	1,989,289	9,788,001	1,981,225	105,643	42
961,559	124,293	6,876,668	199,026	37,661	1,707,893	10,189,347	43
85,254	825,617	337,400	109,776	1,734	1,223,407	37,424	44
62,831	169,089	390,816	13,503	19,168	563,246	10,825,308	45
9,606,450	7,750,217	39,395,629	12,801,022	25,973,181	34,805,343	170,033,186	

Continued

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Buildings and works, including land			Equipment		
		Construc- tion or acquisition	Repairs and upkeep	Rentals	Construc- tion or acquisition	Repairs and upkeep	Rentals
		(13)	(14)	(15)	(16)	(17)	(18)
		\$	\$	\$	\$	\$	\$
1	Agriculture.....	23,468,910	1,437,411	305,543	2,857,938	942,711	208,394
2	Atlantic Development Board.....						
3	Atomic Energy.....	10,521,574			3,732,183		
4	Auditor General's Office.....						
5	Board of Broadcast Governors.....						
6	Canada Emergency Measures Organ- ization.....	72,366	21,445		393,693	66,995	
7	Canadian Broadcasting Corporation.....						
8	Central Mortgage and Housing Cor- poration.....						
9	Office of the Chief Electoral Officer.....						
10	Citizenship and Immigration.....	437,000	23,640	184,417	24,663	4,964	
11	Civil Service Commission.....			16,263	44,457		
12	Defence Production.....			38,256	411,165	2,450,463	
13	Economic Council of Canada.....						
14	External Affairs.....	821,833	448,371	1,006,563	1,031,903	251,149	2,350
15	Finance.....			3,100	409,107	99,586	
16	Fisheries.....	2,780,058	271,448	26,061	2,761,800	806,087	773,318
17	Forestry.....	2,362,297	164,349	3,911	932,245	157,042	42,853
18	Governor General and Lieutenant- Governors.....				11,273	1,107	
19	Industry.....						
20	Insurance.....						
21	Justice.....					429	
22	Labour.....						
23	Legislation.....				2,119	94	
24	Mines and Technical Surveys.....	2,357,899	61,522	39,302	7,093,107	1,196,946	2,231,964
25	National Capital Commission.....						
26	National Defence.....	28,764,698	39,912,222	7,209,252	203,380,689	135,908,484	115,568
27	National Film Board.....				406,135		
28	National Gallery of Canada.....				82,953	1,747	
29	National Health and Welfare.....	4,532,007	244,438	169,592	1,042,696	179,308	796
30	National Research Council, including the Medical Research Council.....	4,669,599	646,379		1,425,268	287,967	
31	National Revenue.....	136,035	114,878	18,890	62,695	12,250	
32	Northern Affairs and National Resources.....	39,992,956	6,524,177	90,730	3,985,412	1,535,651	588,550
33	Post Office.....			13,345	1,232,580	378,217	102,553
34	Privy Council.....						
35	Public Archives and National Library.....				25,678	1,936	197
36	Public Printing and Stationery.....						
37	Public Works.....	75,076,411	13,750,278	13,112,006	2,208,536	1,680,705	202,473
38	Office of the Representation Commis- sioner.....						
39	Royal Canadian Mounted Police.....	1,422,573	525,150	732,241	3,065,770	1,852,722	124,081
40	Secretary of State.....	3,966,948		60,000	51,514	4,155	16,750
41	Solicitor General.....	26,765,075	349,407	8,667	1,408,591	282,405	1,772
42	Trade and Commerce.....	308,108	194,231	774,380	229,858	21,518	
43	Transport.....	63,206,044	5,224,031	184,849	47,685,089	6,760,607	2,441,035
44	Unemployment Insurance Commission.....			826	6,835	4,391	
45	Veterans Affairs.....	805,407	977,509		950,707	338,943	
		292,467,798	70,890,886	23,998,194	286,956,659	155,228,579	6,852,654

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1966

Municipal or public utility services	Contri- butions, grants, subsidies, etc. not included elsewhere	Pensions, super- annuation and other benefits	All other expenditures (other than special categories 23-33)	Special categories	Total standard objects and special categories	Less expenditure recovered	Net total expenditure	Section (Public Accounts, Volume II)
(19)	(20)	(21)	(22)	(23)-(33)	(1)-(33)	(34)		
\$	\$	\$	\$	\$	\$	\$	\$	
1,022,289	85,401,239 22,954,636 1,600,000	26,137 12,944	410,601 18,041 (1)39,694,279 521 4,973		187,411,560 23,755,359 55,727,432 1,741,901 382,787	1,147,944 1,277,257	186,263,616 23,755,359 54,450,175 1,741,901 382,787	1 2 3 4 5
24,132	5,100,345 95,062,634		203,775		7,744,257 97,458,915		7,744,257 97,458,915	6 7
	2,004,272		19,567,686 12,726,402		21,571,958 12,953,140		21,571,958 12,953,140	8 9
27,398	195,500,269 1,398	59,936	1,180,242 111,552		238,567,080 7,986,854		238,567,080 7,986,854	10 11
207,526		2,342	1,914,472 13,663		23,608,183 1,116,362	170,000	23,438,183 1,116,362	12 13
470,647	117,190,535	124,876	1,808,744		152,635,996		152,545,955	14
36,896,315	100,841,065	102,672,778	401,533	(2)1,576,850,479	1,850,679,433	90,041	1,850,679,433	15
162,209	4,182,708	17,322	3,398,739		34,842,941	316,465	34,526,476	16
119,787	39,829,376	5,894	2,934,578		57,134,577		57,134,577	17
	63,450	17	632 24,357,112		690,556 29,301,149		690,556 29,301,149	18 19
10,118	200 15,903,861	1,547,662 2,450,269	544,554 15,162		1,512,059 11,747,992		1,512,059 11,367,814	20 21
	74,377	258,428	414,411		23,993,711	380,178	23,993,711	22
84,209	58,475,926	17,261	384,880 130,004		14,711,823 107,483,271		14,711,823 107,357,514	23 24
22,464,753	18,915,806	85,776,079	19,251,111 41,172,953		19,251,111 1,581,255,968	630,000	18,621,111 1,548,446,784	25 26
	8,200		701,383		6,891,335		6,891,335	27
820,944	4,084,340		1,723,167	(3)1,113,318,136	1,815,626 1,175,439,791	317,762	1,815,626 1,175,122,029	28 29
663,517	37,502,565		292,121		80,045,333	5,658,304	74,387,029	30
58,399		4,269	46,601		96,626,945	1,654,965	94,971,980	31
2,949,798	17,097,763	59,763	16,571,709		158,475,444	2,041,711	156,433,733	32
9,135	37,556	182,873	26,647	(4)72,189,232	240,206,458		240,206,458	33
	10,740	57	3,504,534		8,981,878		8,981,878	34
			149,468		2,039,966	66,452	1,973,514	35
7,278,854	391,023	60,436	5,608 127,510	(5)83,422,828	3,053,651 256,636,781		3,053,651 256,526,107	36 37
			749,892		774,892		774,892	38
699,155	20,224	9,547,125	1,896,945		81,958,846		81,958,846	39
	9,150,753	45,165	4,075,069		23,996,532		23,996,532	40
331,914	260,524	14,121	859,040		56,875,181		56,875,181	41
54,276	127,940	47,968	275,639		46,094,475	20,686	46,073,789	42
3,738,610	187,809,262	346,539	11,141,388	(6)50,239,045	509,133,919	390,406	508,743,513	43
920		22,353	267,416	(7)65,663,739	98,037,727		98,037,727	44
602,271	2,201,398	67,228	2,592,714	(8)298,725,993	394,297,192	24,645,036	369,652,156	45
78,697,176	1,021,804,385	203,369,842	215,667,471	3,260,409,452	7,806,648,347	71,852,822	7,734,795,525	

(1)This item (22) includes \$39,689,543 in respect of the Atomic Energy of Canada Limited research program.
(2)Interest on public debt, etc. (23) \$1,110,857,197; subsidies and special payments to provinces (24) \$465,993,282.
(3)Family allowances and youth allowances payments (25) \$600,973,554; old age assistance, blind persons allowances, disabled persons allowances and unemployment assistance (26) \$147,260,196; hospital insurance and general health grants (30) \$365,084,386.
(4)Movement of mail by land, air and water (32) \$72,189,232.
(5)Trans-Canada highway contributions (31) \$83,422,828.
(6)Deficits—government-owned enterprises (33) \$50,239,045.
(7)Government's contribution to the unemployment insurance fund (29) \$65,663,739.
(8)Veterans disability pensions, etc. (27) \$185,532,099; other payments to veterans and dependents (28) \$113,193,894.

Concluded

SUMMARY OF REVENUE BY MAIN CLASSIFICATIONS AND

Section (Public Accounts, Volume II)	Department	Tax revenues	Return on investments	Bullion and coinage	Postal revenue
		\$	\$	\$	\$
1	Agriculture.....		589,218		
3	Atomic Energy.....		403,736		
4	Auditor General's Office.....				
5	Board of Broadcast Governors.....				
6	Canada Emergency Measures Organization.....				
7	Canadian Broadcasting Corporation.....				
8	Central Mortgage and Housing Corporation.....		107,842,851		
9	Office of the Chief Electoral Officer.....				
10	Citizenship and Immigration.....		1,524		
11	Civil Service Commission.....				
12	Defence Production.....		5,537,597		
13	Economic Council of Canada.....				
14	External Affairs.....		767,487		
15	Finance.....		292,244,020	11,217,545	
16	Fisheries.....		809,816		
17	Forestry.....				
19	Industry.....				
20	Insurance.....	157,854			
21	Justice.....				
22	Labour.....		3,779		
23	Legislation.....				
24	Mines and Technical Surveys.....		1,628,379		
26	National Defence.....		2,049,771		
27	National Film Board.....				
28	National Gallery of Canada.....				
29	National Health and Welfare.....				
30	National Research Council including Medical Research Council.....		92		
31	National Revenue.....	6,850,159,480	3,092		
32	Northern Affairs and National Resources.....	2,758	593,380		
33	Post Office.....		547		237,482,296
34	Privy Council.....				
35	Public Archives and National Library.....		445		
36	Public Printing and Stationery.....				
37	Public Works.....				
39	Royal Canadian Mounted Police.....		12,178		
40	Secretary of State.....				
41	Solicitor General.....		234,443		
42	Trade and Commerce.....		6,794,168		
43	Transport.....		9,635,048		
44	Unemployment Insurance Commission.....				
45	Veterans Affairs.....		9,102,558		
		6,850,320,092	438,254,129	11,217,545	237,482,296

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1966

Privileges, licences and permits	Proceeds from sales	Services and service fees	Refunds of previous years' expenditure	Miscellaneous	Premium, discount and exchange	Total	Section (Public Accounts, Volume II)
\$	\$	\$	\$	\$	\$	\$	
1,617,577	1,431,935	8,681,513	50,661	92,783		12,463,687	1
		453	734			403,736	3
			35			1,187	4
13,231	5,459	584	21,403	9,458		35	5
7,598						50,135	6
						7,598	7
	4,785,528		562,595	1,665,373		114,856,347	8
	20			96,800		96,820	9
496,576	37,650	30,162	1,352,045	173,413		2,091,370	10
		113	586	1		700	11
	7,439,153	223,168	25,734	77,075		13,302,727	12
			853			853	13
1,185,521	23,051	14,946	98,203	59,041		2,148,249	14
	66	5,642,790	504,936	1,188,386	125,538	310,923,281	15
186,637	187,026	26,984	10,151	60,171		1,280,785	16
136,166	32,986	5,005	9,626	91		183,874	17
			2,498,035			2,498,035	19
		846,325	317	399		1,004,895	20
12,490		12,883	3,813	321,865		351,051	21
	4,594	1,860	11,710	1,502,792		1,524,735	22
161,500		3,565	71	56,895		222,031	23
55,475	685,822	59,141	60,313	19,413		2,508,543	24
1,648,682	2,327,811	1,884,517	6,019,983	1,103,096		15,033,860	26
			32,683			32,683	27
			202	5,018		5,220	28
316,312	209,582	4,841,734	985,844	249,120		6,602,592	29
			56,054	1,715		57,861	30
195,204	117,266	380,445	55,903	4,249,636		6,855,161,026	31
10,972,845	1,661,329	827,897	1,151,248	701,389		15,910,846	32
	8		12,641	43,094		237,538,586	33
2,405,903	17,712	275,848	289	10,812		2,710,564	34
		10,625	4,509	112		15,691	35
26,616	1,826,185	18,410		48,912		1,920,123	36
3,052,464	38,671	1,243,115	432,665	914,046		5,680,961	37
795,233	468,305	16,366,680	197,714	155,986		17,996,096	39
578,436	3,184	166,692	4,493	12,203		765,008	40
70,161	348,219	4,422	23,724	5,094		686,063	41
35,279	25,861	2,470,750	21,348	674,420		10,021,826	42
14,965,335	1,222,382	19,106,975	779,931	237,015		45,946,686	43
			10,087	562,871		572,958	44
30,412	35,072		3,917,468	155,370		13,240,880	45
38,965,653	22,934,877	63,147,602	18,918,607	14,453,865	125,538	7,695,820,204	

RETURN ON INVESTMENTS

	Fiscal year ended March 31	
	1966	1965
Loans to, and investments in, Crown corporations—		
Atomic Energy of Canada Limited.....	\$ 403,736	\$ 348,430
Bank of Canada—profits.....	143,106,339	128,237,791
Canadian Broadcasting Corporation.....	1,009,323	373,960
Canadian Corporation for the 1967 World Exhibition.....	193,697	
Canadian National Railways.....	11,990,965	11,600,623
Canadian Overseas Telecommunication Corporation.....	2,686,495	2,706,069
Central Mortgage and Housing Corporation.....	107,842,851	93,349,200
Crown Assets Disposal Corporation.....	511,498	629,531
Eldorado Mining and Refining Limited.....	1,500,000	1,500,000
Export Credits Insurance Corporation.....	6,791,084	3,047,451
Farm Credit Corporation.....	21,012,470	13,933,528
National Capital Commission.....	3,253,842	2,857,664
National Harbours Board.....	4,097,088	3,367,317
Northern Canada Power Commission.....	2,238,480	2,105,449
Polymer Corporation.....	4,500,000	4,000,000
The St. Lawrence Seaway Authority.....	9,399,630	43,065,460
	320,537,498	311,122,473
Other loans and investments—		
United Kingdom.....	1,953,246	1,199,041
Other national governments.....	4,497,939	5,184,353
Provincial governments.....	973,961	1,163,853
Profit resulting from exchange of bonds.....		886,112
Soldier and general land settlement loans and veterans land act advances.....	9,074,913	8,308,223
Exchange fund account.....	62,833,067	63,551,542
Securities investment account.....	1,329,633	5,617,763
Interest-bearing deposits with chartered banks.....	21,703,302	19,639,468
Investments in special United States of America securities—Columbia River Treaty.....	9,212,133	
Miscellaneous.....	6,138,437	6,020,913
	117,716,631	111,571,268
	438,254,129	422,693,741

GOVERNMENT OF CANADA EQUITY IN CROWN CORPORATIONS AS AT MARCH 31, 1966

Corporation	Recorded government equity	Unrecorded government equity	Total government equity
	\$	\$	\$
Agency—			
Atomic Energy of Canada Limited.....	77,593,229	(1)8,008,039	85,601,268
Canadian Arsenals Limited.....	5,000,000	30	5,000,030
Canadian Commercial Corporation.....	5,500,000	223,400	5,723,400
Canadian National (West Indies) Steamships Limited.....	325,000	225,436	550,436
Canadian Patents and Development Limited.....	296,199	990,904	1,287,103
Crown Assets Disposal Corporation.....	*5,012,242	100,000	5,112,242
Defence Construction (1951) Limited.....		31	31
The National Battlefields Commission.....		1,538,073	1,538,073
National Capital Commission.....	67,329,250	68,992,103	136,321,353
National Harbours Board.....	202,818,913	318,493,389	521,312,302
Northern Canada Power Commission.....	29,865,046	(2)12,064,821	41,929,867
Park Steamship Company Limited.....		5,685	5,685
	393,739,879	410,641,911	804,381,790
Proprietary—			
Air Canada.....		5,573,410	5,573,410
Canadian Broadcasting Corporation.....	29,704,500	33,709,978	63,414,478
Canadian National Railways.....	3)1,494,685,398	796,264,149	2,290,949,547
Canadian Overseas Telecommunication Corporation.....	52,522,430	15,099,505	67,621,935
Central Mortgage and Housing Corporation.....	2,452,926,371	(4)21,376,797	2,474,303,168
Cornwall International Bridge Company Limited.....		— 4,664	— 4,664
Eldorado Aviation Limited.....		227,683	227,683
Eldorado Mining and Refining Limited.....	(5)8,246,877	44,339,628	52,586,505
Export Credits Insurance Corporation.....	128,153,316	(6)12,735,953	140,889,269
Farm Credit Corporation.....	588,343,042	(7)17,253,854	605,596,896
Northern Transportation Company Limited.....		7,245,150	7,245,150
Polymer Corporation Limited.....	30,000,000	66,244,626	96,244,626
The St. Lawrence Seaway Authority.....	435,845,000	88,518,278	524,363,278
	5,220,426,934	1,108,584,347	6,329,011,281
Other—			
Bank of Canada.....	(8)5,920,000	24,080,000	30,000,000
Canadian Corporation for the 1967 World Exhibition.....	44,000,000	— 8,950,900	35,049,100
Industrial Development Bank.....		18,423,096	18,423,096
Northern Ontario Pipe Line Crown Corporation.....		693,667	693,667
	49,920,000	34,245,863	84,165,863
	5,664,086,813	1,553,472,121	7,217,558,934
*Government equity in agency account recorded in schedule H— “Other loans and investments—miscellaneous”.....	— 5,012,242		
Total per schedule F—“Loans to, and investments in, Crown corporations”.....	5,659,074,571		

Total government equity represents the loans, advances and proprietary equities as shown in the financial reports of Crown corporations at their respective years ended March 31, 1966 plus any adjustments for additional advances to, or repayments by, the corporations from their year-end dates to March 31, 1966 as follows: National Harbours Board, \$1,139,259, Canadian National Railways, \$2,385,487, Central Mortgage and Housing Corporation, \$116,280,563, Export Credits Insurance Corporation, \$6,846,506, The St. Lawrence Seaway Authority, \$11,500,000, Canadian Corporation for the 1967 World Exhibition, \$2,000,000 and the Farm Credit Corporation, \$75,000.

Included in the unrecorded equity of the Government of Canada in Crown corporations are those amounts which, although designated by certain Crown corporations as proprietor's equity, have been financed by the Government of Canada and charged to government expenditures or to net debt, and have been fully expended in the acquisition of the Crown corporation's capital assets.

The equity of the Crown in subsidiary companies, represented by capital stock, is included in the equity of the parent companies. The St. Lawrence Seaway Authority owns a 50% equity in the Cornwall International Bridge Company Limited and the Seaway International Bridge Corporation Ltd. Eldorado Aviation Limited and Northern Transportation Company Limited are wholly-owned subsidiaries of Eldorado Mining and Refining Limited. Air Canada is a wholly-owned subsidiary of Canadian National Railways. The Industrial Development Bank is a wholly-owned subsidiary of the Bank of Canada.

(1)Includes accrued interest, \$5,238,577.

(2)Includes accrued interest, \$883,917.

(3)Includes advances to Air Canada re 1966 income deficit, \$4,290,000 and loans in respect of Yarmouth-Bar Harbour ferry services, \$690,160.

(4)Includes accrued interest, \$16,376,797.

(5)Includes premium on acquisition of capital stock, \$1,660,797.

(6)Includes accrued interest, \$2,338,930.

(7)Includes accrued interest, \$15,618,019.

(8)Includes premium on acquisition of capital stock, \$920,000.

UNMATURED DEBT INCLUDING TREASURY BILLS OF CANADA ON MARCH 31, 1966

		Date of maturity	Rate per cent	Amount of loan
PAYABLE IN CANADA—				
<i>Bonds—</i>				
Loan of 1965	CT 16	1966 May 1	3½	\$ 325,000,000
Ninth victory loan	P 7	Sept. 1	3	245,202,200
Loan of 1965	CT 20	Sept. 1	3½	205,000,000
Canada savings bonds 1954	S 9	Nov. 1	3½	23,837,100
Loan of 1961	AT 6	Dec. 15	4½	175,000,000
Loan of 1963 and 1964	CT 5	Dec. 15	4½	125,000,000
Loan of 1965	CT 22	Dec. 15	4	150,000,000
Loan of 1966	CT 25	1967 Apr. 1	4	170,000,000
Loan of 1961 and 1963	AT 9	June 1	4½	275,000,000
Loan of 1965	CT 18	June 1	4½	50,000,000
Loan of 1962	AT 12	Oct. 1	3½	100,000,000
Loan of 1964 and 1965	CT 14	Oct. 1	3½	250,000,000
Canada savings bonds 1955	S 10	Nov. 1	3½	23,056,700
Loan of 1962	AT 11	1968 Jan. 15	4½	250,000,000
Loan of 1964	CT 8	Jan. 15	4½	130,000,000
Refunding loan 1950	P 9	June 15	2½	308,581,000
Loan of 1963 and 1964	CT 3	Oct. 1	5	441,000,000
Canada savings bonds 1959	S 14	Nov. 1	5	854,829,500
Loan of 1960	T 39	1969 Apr. 1	5½	80,000,000
Loan of 1962	AT 16	Apr. 1	5½	100,000,000
Loan of 1965	CT 23	Apr. 1	5½	100,000,000
Canada savings bonds 1956	S 11	May 1	4	41,960,850
Loan of 1964	CT 11	July 1	5	325,000,000
Loan of 1962	AT 13	Oct. 1	5½	80,000,000
Loan of 1965	CT 21	Oct. 1	5½	145,000,000
Loan of 1958	T 24	1970 May 1	3½	200,000,000
Loan of 1965 and 1966	CT 19	July 1	5	175,000,000
Canada savings bonds 1957	S 12	Nov. 1	4½	342,245,200
Canada savings bonds 1960	S 15	Nov. 1	5	378,331,350
Loan of 1964	CT 15	1971 June 1	5	350,000,000
Canada savings bonds 1961	S 16	Nov. 1	4½	297,149,000
Conversion loan 1958	T 28	1972 Sept. 1	4½	1,267,203,100
Loan of 1965	CT 17	1973 Oct. 1	5	275,000,000
Canada savings bonds 1958	S 13	Nov. 1	4½	93,535,200
Canada savings bonds 1964	S 19	1974 Nov. 1	4½	824,023,150
Loan of 1959	T 36	1975 Oct. 1	5½	310,361,000
Loan of 1965	CT 24	Oct. 1	5½	50,000,000
Canada savings bonds 1963	S 18	Nov. 1	5	815,542,300
Loan of 1960	T 38	1976 Apr. 1	5½	436,198,000
Loan of 1954	T 11	June 1	3½	247,046,500
Canada savings bonds 1962	S 17	Nov. 1	5	1,171,156,150
Canada savings bonds 1965	S 20	1977 Nov. 1	4½	867,544,750
Loan of 1953 and 1958	T 5	1978 Jan. 15	3½	207,911,500
Loan of 1954	T 13	1979 Oct. 1	3½	343,246,500
Loan of 1962	AT 14	1980 Aug. 1	5½	120,000,000
Loan of 1966	CT 26	Aug. 1	5½	80,000,000
Conversion loan 1958	T 29	1983 Sept. 1	4½	1,992,679,450
Loan of 1963	AT 21	1988 June 1	5	100,000,000
Loan of 1964	CT 9	June 1	5	50,000,000
Loan of 1964	CT 12	1990 May 1	5½	225,000,000
Conversion loan 1956	T 15	1998 Mar. 15	3½	197,045,000
Loan of 1936	P 1	Perpetual	3	55,000,000
Special non-marketable bonds (Canada pension plan investment fund)		1986 Apr. 1	5.29	102,000
Special non-marketable bonds (Unemployment Insurance Commission)			4½	80,500,000
Special non-marketable bonds (Unemployment Insurance Commission)			4⅞	63,500,000
<i>Treasury bills</i>		various	various	16,588,787,500 2,150,000,000
PAYABLE IN NEW YORK—				
<i>Bonds—</i>				
Loan of 1949		1974 Sept. 1	2½	65,087,502
Loan of 1950		1975 Sept. 15	2½	41,047,527
Loan of 1962		1987 Oct. 15	5	264,864,600
				370,999,629
				19,109,787,129

Where various rates of interest are applicable during the term of a loan the interest rate in effect at March 31, 1966 has been used. Bonds payable in New York have been converted at the official parity rate of \$1U.S. = \$1.08108 Canadian.

SUMMARY OF INDIRECT DEBT OR CONTINGENT LIABILITIES

	Amount outstanding March 31	
	1966	1965
	\$	\$
Canadian National Railways securities guaranteed as to principal and interest.....	1,331,547,986	1,368,297,986
Other guarantees—		
Insured loans made by approved lenders under the National Housing Act, 1954 ⁽¹⁾	5,321,621,000	4,934,000,000
Loans made by lenders under Part IV of the National Housing Act, 1954 for home extensions and improvements ⁽²⁾	17,341,000	15,863,475
Chartered bank deposits in Bank of Canada.....	1,031,322,000	897,218,288
Export Credits Insurance Act.....	508,213,000	468,643,662
Bank loans to Canadian Wheat Board.....	232,037,000	169,770,000
Bank loans under Farm Improvement Loans Act.....	68,891,000	63,945,589
Bank loans under the Small Businesses Loans Act.....	13,061,000	10,582,576
Bank loans under the Canada Student Loans Act ⁽³⁾	84,268,000	37,459,073
Notes issued by the Canadian Corporation for the 1967 World Exhibition.....	44,000,000	
Sundry other guarantees (excluding indeterminate amounts ⁽⁴⁾).....	433,000	260,877
	8,652,734,986	7,966,041,526

These contingent liabilities are expressed in Canadian dollars; bonds payable in United States dollars are converted at the rate of \$1 U.S. = \$1.08108 Canadian.

⁽¹⁾As reported (in accordance with Sec. 45, National Housing Regulations) by approved lenders at December 31 within the fiscal year.

⁽²⁾As at December 31 within the fiscal year.

⁽³⁾As at March 31, 1966. Includes contingent liability in respect of alternative payments to non-participating provinces.

⁽⁴⁾Loans maintained by approved lending institutions under National Housing Acts prior to 1954 Act; and guarantees to owners of returns from moderate rental housing projects, in respect of which funds totalling \$4 million are held by Central Mortgage and Housing Corporation for the purpose of settling claims and in respect of which rental guarantee contracts totalled \$13.9 million in 1965.

EXPLANATORY NOTES

The Government's financial statements and general system of accounting differ from normally accepted commercial accounting practices. The particular aspects and significant features of these differences are more fully explained in the annual Public Accounts as tabled in the House of Commons by the Minister of Finance.

The Government's accounts are maintained on a "cash" basis in order to serve the requirements of Parliament and more particularly to ensure effective control by that body over public moneys. However, there is provision in the Financial Administration Act to permit the inclusion in the fiscal year of expenditures relating thereto which on a pure cash basis would be excluded. As an example liabilities under contracts and other accounts payable at March 31, for which cheques are issued during the month of April, are charged to expenditures in the old year and appear as current liabilities on the statement of assets and liabilities; also, loan discounts and commissions are set up as deferred charges to be amortized over the term of the loan and provision has been made for a reserve for possible losses on realization of assets. Revenues are reported on a cash basis. Consequently taxes assessed and due, other revenues receivable or accrued and other asset accruals and inventories of materials, supplies and equipment are not recorded as assets (except when these are held as charges against working capital accounts or revolving funds) nor are public works and buildings or other fixed or capital assets. Interest payable on public debt is accrued monthly but interest receivable is not accrued and is only taken to account when actually received. It should also be noted that capital works and equipment are recorded at a nominal value of \$1 as they are not considered a proper offset to the gross liabilities in determining the net of debt Canada and their costs of acquisition or construction are charged to expenditures. Furthermore, the statement of assets and liabilities, in accordance with section 64 of the Financial Administration Act, includes such of the assets and liabilities of Canada as in the opinion of the Minister of Finance are required to show the financial position of Canada at the termination of the fiscal year.

There are certain other requirements and minor variations, details of which, along with additional information and specific items in the Statement of Assets and Liabilities, are more fully explained in the annual Public Accounts.

1. Capital assets appearing on the Statement of Assets and Liabilities at a nominal value of \$1 comprise such capital assets of the Government as land, buildings, works, equipment, etc., which in accordance with long standing practice are charged to budgetary expenditures at the time of acquisition or construction.
2. The increase in net debt reflects the budgetary deficit of \$38,975,321 for the fiscal year 1965-66.
3. Additional liabilities for the public service superannuation account and the Canadian forces superannuation account arising out of pay increases authorized in 1965-66 have been credited to these accounts and charged to deferred charges and are being amortized over a five year period commencing in 1965-66 in accordance with amendments to the superannuation acts assented to June 2, 1965.
4. Unmatured debt includes bonds payable in New York in the amount of \$343,175,000 U.S. converted at the official parity rate of \$1 U.S. = \$1.08108 Canadian.

FN

p721



PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1967



Abridged Report



ISSUED BY THE DEPARTMENT OF FINANCE



PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1967



Abridged Report

ISSUED BY THE DEPARTMENT OF FINANCE

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1967

foreword by THE MINISTER OF FINANCE

The Financial Administration Act requires that an annual report, called the Public Accounts, shall be laid before the House of Commons by the Minister of Finance on or before the 31st day of December, or if Parliament is then not in session, within fifteen days after the commencement of the next ensuing session.

The accounts of Canada are audited by the Auditor General of Canada, and his statutory certificates, as required under the Financial Administration Act, are included in the Public Accounts laid before the House of Commons.

The customary report will be presented in the usual way. However, this abridged version is presented in the belief that a wider distribution of the data contained herein may prove of value to those who desire information, in summary form, of the more significant aspects of government financial transactions during the fiscal year ended March 31, 1967.

MITCHELL SHARP,

Minister of Finance.

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HIGHLIGHTS OF THE GOVERNMENT'S FINANCIAL OPERATIONS DURING 1966-67

This section outlines the financial operations of the government giving a brief summary of the budgetary and non-budgetary transactions, the unmatured debt transactions and the change in the cash position during 1966-67 and the debt position as at March 31, 1967.

The following table summarizes the budgetary and non-budgetary transactions for 1966-67 with comparative figures for 1965-66 and indicates how these transactions affected the government's cash balances.

SUMMARY OF BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1967	1966
Budgetary transactions—		
Revenue—		
Tax.....	7,440	6,850
Non-tax.....	936	846
	8,376	7,696
Expenditure—		
Defence.....	1,696	1,595
Non-defence.....	7,102	6,140
	8,798	7,735
Deficit (—).....	—422	—39
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits—		
Repayment of temporary loan to old age security fund.....		25
Net annuity, insurance and pension accounts receipts.....	931	627
Repayment of advances to exchange fund account.....	341	
Canada pension plan account.....	592	89
Investments in United States dollar securities issued by other than the Government of Canada.....	7	32
Increase in non-interest-bearing notes payable on demand.....	111	
Repayment of other loans, investments and advances.....	37	36
Other.....	437	224
	2,456	1,033
Disbursements and charges—		
Advances to exchange fund account.....		75
Canada pension plan investment fund.....	581	35
Loans, investments and advances.....	1,564	853
Decrease in non-interest-bearing notes payable on demand.....		113
Other.....	420	78
	2,565	1,154
Net amount required for non-budgetary transactions.....	—109	—121
Overall cash requirement to be financed by increase in unmatured debt or decrease in cash balances.....	—531	—160
Net increase in unmatured debt outstanding in hands of the public.....	711	113
Net increase or decrease (—) in Receiver General bank balances.....	180	—47

Budgetary transactions

Revenue

Budgetary revenue of the government in the fiscal year 1966-67 amounted to \$8,376 million. This was \$116 million or about 1½ per cent more than the revised forecast of December 19, 1966 of \$8,260 million and \$680 million or approximately 9 per cent more than the total of \$7,696 million collected in 1965-66.

Tax revenue amounted to \$7,440 million, 89 per cent of total budgetary revenue, compared with \$6,850 million or 89 per cent in 1965-66.

Non-tax revenue totalled \$936 million compared with \$846 million in 1965-66.

Expenditure

Budgetary expenditure of the government in 1966-67 amounted to \$8,798 million, \$218 million or about 2½ per cent higher than the revised forecast of December 19, 1966 and \$1,063 million or about 14 per cent higher than expenditure in 1965-66.

Defence expenditure amounted to \$1,696 million, 19 per cent of total budgetary expenditure, compared with \$1,595 million and 21 per cent in 1965-66 and was again the largest category.

Civil or non-defence expenditure totalled \$7,102 million compared with \$6,140 million in 1965-66, an increase of \$962 million.

Deficit

Expenditure of \$8,798 million exceeded revenue of \$8,376 million resulting in a deficit of \$422 million for 1966-67 compared with a deficit of \$320 million as forecast on December 19, 1966 and the deficit of \$39 million in 1965-66.

Non-budgetary transactions (excluding unmatured debt transactions)

In the 1966-67 fiscal year non-budgetary transactions (excluding those in respect of unmatured debt) resulted in a net disbursement of \$109 million having to be financed by an increase in unmatured debt outstanding in the hands of the public or from Receiver General bank balances compared with \$121 million in 1965-66.

Old age security fund

Receipts credited to the fund in 1966-67 totalled \$1,286 million and pension payments charged to the fund totalled \$1,073 million. In 1965-66 receipts were \$1,169 million and disbursements were \$952 million of which \$25 million was a repayment of a temporary loan from the Minister of Finance and \$927 million was pension payments.

The higher receipts in 1966-67 were due partly to an increase from \$120 to \$240 effective January 1, 1967 in the maximum amount payable by an individual on account of the 4 per cent old age security tax on personal incomes. The increase in pension payments was due mainly to the lowering of the age limit for eligibility to 69 years on January 1, 1966 and to 68 years on the January 1, 1967.

The transactions in the fund during 1966-67 compared with those for 1965-66 were as follows:

	Fiscal year ended March 31	
	1967	1966
	(in millions of dollars)	
Balance in fund at April 1.....	217	Nil
Receipts—		
Sales tax.....	560	522
Personal income tax.....	577	495
Corporation income tax.....	149	152
	1,503	1,169
Disbursements—		
Pension payments.....	—1,073	—927
Repayment of temporary loan from Minister of Finance.....		—25
Balance in fund at March 31.....	430	217

Canada pension plan account

Receipts credited to the fund in 1966-67 totalled \$600 million in 1966-67 and disbursements (mainly administrative costs) totalled \$8 million. In 1965-66 receipts were \$95 million and disbursements were \$6 million.

The higher receipts in 1966-67 reflect the fact that the plan became effective on January 1, 1966 and therefore 1965-66 receipts covered a three-month period whereas the 1966-67 receipts were for a full year.

The transactions in the fund during 1966-67 compared with those for 1965-66 were as follows:

	Fiscal year ended March 31	
	1967	1966
	(in millions of dollars)	
Balance at April 1.....	89	Nil
Receipts.....	600	95
Disbursements.....	-8	-6
Balance at March 31.....	681	89

The balance in the account at March 31, 1967 consisted of investments of \$614 million in provincial government securities and \$2 million in federal government securities and an operating balance of \$65 million on deposit with the Receiver General of Canada.

Unmatured debt transactions

These transactions resulted in an increase of \$711 million in unmaturred debt outstanding in the hands of the public compared with an increase of \$113 million in 1965-66.

Change in cash position

Receiver General bank balances in current and special deposits were \$180 million higher at March 31, 1967 than at March 31, 1966. This was due to the fact that the increase of \$711 million in unmaturred debt outstanding in the hands of the public more than offset the budgetary deficit of \$422 million plus the non-budgetary requirements of \$109 million.

Change in debt position

As a result of budgetary and non-budgetary transactions the gross public debt increased by \$2,857 million to \$30,340 million at March 31, 1967, net recorded assets increased by \$2,435 million to \$14,375 million and the net debt increased by \$422 million (equivalent to the budgetary deficit for the fiscal year) to \$15,965 million.

THE GOVERNMENT OF CANADA

STATEMENT OF EXPENDITURE AND REVENUE

(with comparative figures for 1965-66)

EXPENDITURE	Fiscal year ended	
	March 31, 1967	March 31, 1966
Agriculture.....	\$ 230,657,096	\$ 186,263,616
Atomic Energy.....	60,228,082	54,450,175
Auditor General's Office.....	2,058,677	1,741,901
Board of Broadcast Governors.....	601,814	382,787
Canadian Broadcasting Corporation.....	115,243,073	97,458,915
Central Mortgage and Housing Corporation.....	20,122,952	21,571,958
Chief Electoral Officer.....	919,041	12,953,140
Defence Production.....	42,182,715	31,497,433
Dominion Bureau of Statistics.....	26,635,421	15,591,823
Energy, Mines and Resources.....	130,188,364	107,357,514
External Affairs.....	230,474,187	152,545,955
Finance—		
Public debt charges.....	1,190,523,254	1,110,857,197
Fiscal, tax-sharing, subsidies and other payments to provinces.....	515,522,814	465,993,282
Other expenditure.....	129,985,187	104,188,387
	<u>1,836,031,255</u>	<u>1,681,038,866</u>
Fisheries.....	41,471,351	34,526,476
Forestry and Rural Development.....	66,490,503	57,134,577
Governor General and Lieutenant-Governors.....	774,003	690,556
Indian Affairs and Northern Development.....	197,415,383	156,433,733
Industry.....	34,697,873	29,301,149
Insurance.....	1,652,187	1,512,059
Justice.....	12,175,037	11,224,377
Labour.....	24,911,054	23,993,711
Legislation.....	17,835,638	14,711,823
Manpower and Immigration.....	320,416,247	236,478,088
National Defence—		
Defence services.....	1,435,115,001	1,401,252,710
Defence research and development.....	44,202,185	41,643,088
Other expenditure.....	161,060,372	105,550,986
	<u>1,640,377,558</u>	<u>1,548,446,784</u>
National Film Board.....	8,016,817	6,891,335
National Gallery of Canada.....	1,872,361	1,815,626
National Health and Welfare—		
Family allowances.....	555,794,947	551,734,824
Other expenditure.....	760,147,505	623,387,205
	<u>1,315,942,452</u>	<u>1,175,122,029</u>
National Research Council including the Medical Research Council.....	94,648,779	74,387,029
National Revenue.....	105,868,118	94,971,980
Post Office.....	268,493,659	240,206,458
Privy Council.....	7,897,880	6,080,981
Public Archives and National Library.....	2,663,017	1,973,514
Public Printing and Stationery.....	4,020,598	3,053,651
Public Service Commission.....	10,848,505	7,986,854
Public Service Staff Relations Board.....	29,434	
Public Works.....	294,372,635	275,147,218
Registrar General.....	5,529,033	4,591,027
Secretary of State.....	133,847,296	54,178,085
Solicitor General.....	162,279,320	138,834,027
Trade and Commerce.....	73,509,965	67,957,275
Transport.....	603,999,371	532,498,872
Treasury Board.....	153,358,110	104,417,257
Unemployment Insurance Commission.....	106,107,051	98,037,727
Veterans Affairs—		
Pensions.....	195,910,381	185,559,325
Other expenditure.....	194,910,164	183,777,839
	<u>390,820,545</u>	<u>369,337,164</u>
Total expenditure.....	<u>8,797,684,457</u>	<u>7,734,795,525</u>
Budgetary deficit.....	<u>-421,502,613</u>	<u>-38,975,321</u>
	<u>8,376,181,844</u>	<u>7,695,820,204</u>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

FISCAL YEAR ENDED MARCH 31, 1967

preceding fiscal year)

REVENUE

	Fiscal year ended	
	March 31, 1967	March 31, 1966
Tax revenues—		
Income tax—		
Personal ⁽¹⁾	\$ 2,473,820,311	\$ 2,142,456,230
Corporation ⁽¹⁾	1,593,224,756	1,606,620,322
On dividends, interest, etc., going abroad.....	203,621,403	170,018,708
Excise taxes—		
Sales ⁽¹⁾	1,513,565,998	1,395,128,921
Other.....	315,580,981	296,178,098
Customs import duties.....	777,585,703	685,519,390
Excise duties.....	460,980,029	445,885,434
Estate tax.....	101,105,631	108,352,377
Miscellaneous.....	169,989	160,612
	<u>7,439,654,801</u>	<u>6,850,320,092</u>
Non-tax revenues—		
Return on investments.....	519,140,346	438,254,129
Post Office—net postal revenue.....	253,342,482	237,482,296
Refunds of previous years' expenditure.....	17,196,633	18,918,607
Services and service fees.....	65,268,340	63,147,602
Proceeds from sales.....	21,501,757	22,934,877
Privileges, licences and permits.....	39,744,075	38,965,653
Bullion and coinage.....	5,430,009	11,217,545
Premium, discount and exchange.....	242,572	125,538
Miscellaneous.....	14,660,829	14,453,865
	<u>936,527,043</u>	<u>845,500,112</u>

⁽¹⁾Excluding tax credited to:

	1966-67	1965-66
Old age security fund—		
Personal income tax.....	\$ 576,600,000	\$ 494,900,000
Corporation income tax.....	149,500,000	152,250,000
Sales tax.....	559,515,045	522,085,844

Total revenue.....	<u>8,376,181,844</u>	<u>7,695,820,204</u>
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The Auditor General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

THE GOVERNMENT OF CANADA
STATEMENT OF ASSETS AND LIABILITIES
(with comparative figures)

ASSETS	<i>March 31, 1967</i>	<i>March 31, 1966</i>
Current assets—		
Cash.....	\$ 1,009,249,467	\$ 759,080,004
Departmental working capital advances.....	157,794,702	120,576,475
Securities held for the securities investment account at amortized cost..	197,689,061	81,475,697
Other current assets.....	29,232,480	54,861,735
	<i>1,393,965,710</i>	<i>1,015,993,911</i>
Cash in blocked currency.....	2,136,260	1,002,400
Advances to the exchange fund account—(value of investments from advances on basis of official parity rates: March 31, 1967 \$2,385,335,014; March 31, 1966 \$2,726,282,289).....	2,355,000,000	2,696,000,000
Investments in United States dollar securities issued by other than the Government of Canada.....	180,029,353	187,191,661
Canada pension plan investment fund.....	615,521,000	34,853,000
Investments held for the retirement of unmatured debt.....	3,151,500	
Loans to, and investments in, Crown corporations.....	6,460,733,930	5,553,149,458
Recovery likely to require parliamentary appropriations.....	267,930,855	105,925,113
	<i>6,728,664,785</i>	<i>5,659,074,571</i>
Loans to national governments.....	1,201,581,177	1,215,490,449
Recovery likely to require parliamentary appropriations.....		9,722,194
	<i>1,201,581,177</i>	<i>1,225,212,643</i>
Other loans and investments—		
Subscriptions to capital of, and working capital advances and loans to, international organizations.....	952,187,667	724,695,231
Loans to provincial governments.....	123,515,007	96,723,106
Municipal development and loan board advances (less reserve for forgiveness of indebtedness).....	231,233,935	108,857,605
Veterans land act fund (less reserve for conditional benefits).....	311,408,833	256,191,461
Miscellaneous.....	91,556,780	72,537,756
Recovery likely to require parliamentary appropriations.....	4,095,992	4,207,529
	<i>1,713,998,214</i>	<i>1,263,212,688</i>
Securities held in trust.....	50,852,748	51,956,505
Deferred charges—		
Unamortized portions of actuarial deficiencies—		
Canadian forces superannuation account.....	260,223,200	53,601,200
Public service superannuation account.....	189,453,200	93,620,600
Royal Canadian Mounted Police superannuation account.....	10,956,800	3,115,200
Unamortized loan flotation costs.....	121,212,572	106,217,789
	<i>581,845,772</i>	<i>256,554,789</i>
Capital assets.....	1	1
Inactive loans and investments.....	94,824,381	94,824,381
Total recorded assets.....	<i>14,921,570,901</i>	<i>12,485,876,550</i>
Less: reserve for losses on realization of assets.....	—546,384,065	—546,384,065
Net recorded assets.....	<i>14,375,186,836</i>	<i>11,939,492,485</i>
Net debt, represented by excess of liabilities over net recorded assets.....	<i>15,964,950,478</i>	<i>15,543,447,865</i>
	<i>30,340,137,314</i>	<i>27,482,940,350</i>


H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

LIABILITIES AS AT MARCH 31, 1967

March 31, 1966)

LIABILITIES

	March 31, 1967	March 31, 1966
Current and demand liabilities—		
Outstanding treasury cheques.....	\$ 382,624,889	\$ 332,859,574
Accounts payable (that portion paid in April of the next following fiscal year).....	454,510,346	380,308,616
Non-interest-bearing notes payable to the international monetary fund and other international organizations.....	366,378,362	255,388,518
Matured debt outstanding.....	30,670,121	27,324,686
Interest due and outstanding.....	111,271,485	110,930,898
Interest accrued.....	286,250,208	254,292,555
Other current liabilities.....	39,272,685	37,731,247
	<u>1,670,978,096</u>	<u>1,398,836,094</u>
Deposit and trust accounts.....	347,314,229	310,728,861
Annuity, insurance and pension accounts.....	7,915,131,923	6,392,132,945
Undisbursed balances of appropriations to special accounts.....	76,573,119	101,945,175
Refundable corporation tax.....	196,157,131	
Deferred credits.....	142,827,514	138,119,215
Suspense accounts.....	50,949,273	31,390,931
Unmatured debt—		
(a) Bonds.....	17,630,206,029	16,959,787,129
(b) Treasury bills.....	2,310,000,000	2,150,000,000
	<u>19,940,206,029</u>	<u>19,109,787,129</u>
NOTE: The indirect or contingent liabilities of the Government of Canada, consisting of railway securities guaranteed as to principal and interest, \$1,275,947,986; other guarantees of \$8,151,505,000; together with certain indeterminate guarantees, are listed on page 27.		
		
Total liabilities.....	<u>30,340,137,314</u>	<u>27,482,940,350</u>

The Auditor General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1967	1966
Budgetary transactions—		
Revenue.....	8,376.2	7,695.8
Expenditure.....	—8,797.7	—7,734.8
Deficit.....	—421.5	—39.0
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits (net).....	2,455.6	730.3
Disbursements and charges (net).....	—2,565.2	—851.2
Net amount required for non-budgetary transactions.....	—109.6	—120.9
Overall cash requirement to be financed by increase in unmatured debt or decrease in cash balances.....	—531.1	—159.9
Net increase in unmatured debt outstanding in the hands of the public—		
Unmatured debt—		
Bonds ⁽¹⁾	670.4	121.6
Treasury bills.....	160.0	10.0
	830.4	131.6
Securities investment account.....	—116.2	—19.0
Investments held for retirement of unmatured debt.....	—3.2	
	—119.4	—19.0
	711.0	112.6
Net increase or decrease (—) in Receiver General bank balances.....	179.9	—47.3

⁽¹⁾Includes increases of \$116 million in 1966-67 and \$101 million in 1965-66 in special non-marketable bonds issued to the Unemployment Insurance Commission and \$2 million in 1966-67 in special issues to the Canada pension plan.

NON-BUDGETARY RECEIPTS AND CREDITS

(in millions of dollars)

	Fiscal year ended March 31	
	1967	1966
Repayment of loans, investments and advances—		
Agricultural commodities stabilization account.....	3.4	17.8
Canadian Arsenals Limited.....		2.5
Canadian Overseas Telecommunication Corporation.....	2.7	2.6
Old age security fund.....		25.0
Investments in United States dollar securities issued by other than the Govern- ment of Canada.....	7.2	32.2
National governments.....	23.6	—18.6
Exchange fund account.....	341.0	—75.0
	377.9	—13.5
Annuity, insurance and pension accounts.....	1,523.0	716.3
Other receipts and credits—		
Outstanding treasury cheques.....	49.7	17.8
Accounts payable.....	74.2	16.4
Interest accrued.....	31.9	23.1
Interest due and outstanding.....	0.4	8.9
Matured debt.....	3.4	8.2
Provision for estimated premium on redemption of bonds.....	5.0	15.0
Provincial tax collection agreements account.....	26.2	17.5
Deferred credits.....	4.7	24.9
Surplus Crown assets (National Defence).....	15.2	9.1
Non-interest-bearing notes.....	111.0	—112.5
Refundable corporation tax.....	196.2	
Moneys received after March 31, but applicable to current year.....	27.6	—25.9
Miscellaneous.....	9.2	25.0
	554.7	27.5
	2,455.6	730.3

NON-BUDGETARY DISBURSEMENTS AND CHARGES

(in millions of dollars)

	Fiscal year ended March 31	
	1967	1966
Loans, investments and advances—		
Stockpiling of uranium concentrates.....	20.1	12.7
Defence production revolving fund.....	11.4	—7.6
Royal Canadian Mint.....	3.2	—3.9
Atomic Energy of Canada Limited.....	28.4	11.9
Canadian Broadcasting Corporation.....	35.0	12.5
Canadian Commercial Corporation.....	4.5	2.0
Canadian Corporation for the 1967 World Exhibition.....	131.0	44.0
Canadian National Railways (including Air Canada).....	127.3	59.8
Central Mortgage and Housing Corporation.....	488.6	315.1
Export Credits Insurance Corporation.....	36.2	36.4
Farm Credit Corporation.....	164.1	147.0
National Capital Commission.....	7.0	7.4
National Harbours Board.....	19.5	3.0
Northern Canada Power Commission.....	0.8	2.1
The St. Lawrence Seaway Authority.....	29.8	26.7
Subscriptions to capital of international organizations.....	227.5	15.0
Municipal development and loan board advances.....	122.3	101.3
Veterans land act fund.....	55.2	24.1
Provincial governments.....	26.8	—1.7
Miscellaneous.....	25.0	10.7
	1,563.7	818.5
Other disbursements and charges—		
Canada pension plan investment fund.....	580.6	34.9
Deferred charges.....	325.3	47.9
Undisbursed balances of appropriations to special accounts.....	25.4	—6.2
Cash in hands of collectors and in transit.....	70.2	—43.9
	1,001.5	32.7
	2,565.2	851.2

BUDGETARY EXPENDITURE CLASSIFIED BY FUNCTION

(in millions of dollars)

	Fiscal year ended March 31			
	1967		1966	
	Amount	Per cent	Amount	Per cent
Defence.....	1,695.9	19.3	1,595.2	20.6
Health, welfare and social security ⁽¹⁾	1,635.8	18.6	1,458.1	18.8
Public debt charges.....	1,190.5	13.5	1,110.9	14.4
Payments to provincial and municipal governments ⁽²⁾	559.5	6.4	508.3	6.6
Veterans affairs.....	390.8	4.4	369.3	4.8
Transportation and communication.....	1,082.1	12.3	977.3	12.6
Resources and industrial development.....	853.2	9.7	693.6	9.0
Education.....	329.7	3.7	198.3	2.6
International co-operation.....	192.2	2.2	119.5	1.5
General government.....	787.9	9.0	661.1	8.5
Unclassified.....	80.1	0.9	43.2	0.6
	8,797.7	100.0	7,734.8	100.0

⁽¹⁾Pension payments out of the old age security fund are not included.

⁽²⁾Does not include those payments made to provincial and municipal governments for specific purposes.

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Civil salaries and wages	Civilian allowances	Pay and allowances, Defence Forces and R.C.M. Police	Professional and special services	Travelling and removal expenses
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	Agriculture.....	65,748,224	176,200		2,894,429	3,710,521
2	Atomic Energy.....	197,988			5,148	24,870
3	Auditor General.....	1,919,563			13,466	83,092
4	Board of Broadcast Governors.....	343,665	31,200		160,078	27,837
5	Canadian Broadcasting Corporation.....					
6	Central Mortgage and Housing Corporation..					
7	Office of the Chief Electoral Officer.....	165,202			11,525	2,101
8	Defence Production.....	20,712,465	280,254		1,494,368	672,539
9	Dominion Bureau of Statistics.....	16,397,488			6,540,323	963,567
10	Energy, Mines and Resources.....	30,870,135	164,446		2,821,714	1,664,750
11	External Affairs.....	18,113,781	6,821,728		432,748	3,001,253
12	Finance.....	28,969,524	96,196		442,422	421,252
13	Fisheries.....	17,578,931	388,138		562,895	1,437,680
14	Forestry and Rural Development.....	11,465,145	2,000		265,063	788,710
15	Governor General and Lieutenant-Governors.	516,237	202,772			12,702
16	Indian Affairs and Northern Development...	41,851,122	2,058,645		16,829,312	3,162,318
17	Industry.....	4,844,006	18,010		273,045	358,568
18	Insurance.....	917,203			5,000	36,047
19	Justice.....	9,896,605	23,790		394,946	386,723
20	Labour.....	3,823,515	30,650		764,338	145,736
21	Legislation.....	11,034,573	1,881,211		44,117	515,563
22	Manpower and Immigration.....	45,522,098	861,550		597,458	2,486,368
23	National Defence.....	198,364,274	925,836	624,070,223	50,601,522	43,070,620
24	National Film Board.....					
25	National Gallery of Canada.....	549,686			208,917	36,615
26	National Health and Welfare.....	35,667,785	1,063,712		10,689,134	1,772,018
27	National Research Council, including the Medi- cal Research Council.....	26,739,850	343,217		3,627,687	650,748
28	National Revenue.....	99,319,380	268,160		1,003,556	3,338,761
29	Post Office.....	177,559,869	1,882,046		142,698	847,520
30	Privy Council.....	2,654,929	25,124		588,516	136,076
31	Public Archives and National Library.....	2,009,393	32,744		102,903	15,868
32	Public Printing and Stationery.....	1,199,998			7,730	14,372
33	Public Service Commission.....	8,395,525	225		284,070	319,538
34	Public Service Staff Relations Board.....					
35	Public Works.....	43,736,292	1,072,728		4,899,901	1,087,134
36	Registrar General.....	4,301,328			277,514	64,674
37	Secretary of State.....	8,071,819	2,000		1,688,602	438,709
38	Solicitor General.....	36,066,148	35,743	57,871,690	2,704,963	3,902,447
39	Trade and Commerce.....	14,352,068	2,336,397		465,045	1,801,581
40	Transport.....	110,506,708	1,944,435		11,282,788	5,121,334
41	Treasury Board.....	1,870,756	32,277		66,228	71,721
42	Unemployment Insurance Commission.....	31,554,600	11,333		1,587,666	905,809
43	Veterans Affairs.....	62,472,169	287,908		15,385,288	938,993
		1,196,280,047	23,300,675	681,941,913	140,167,123	84,436,735

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1967

Freight, express and cartage	Postage	Telephones, telegrams and other communi- cation services	Publication of departmental reports and other material	Exhibits, advertising, films, broadcasting and displays	Office stationery, supplies, equipment and furnishings	Materials and supplies	Section (Public Accounts, Volume II)
(6)	(7)	(8)	(9)	(10)	(11)	(12)	
\$	\$	\$	\$	\$	\$	\$	
233,144	127,174	632,313	385,360	171,298	1,534,361	4,343,383	1
	310	5,185	2,341		6,755		2
96	250	11,483	18,673		11,420		3
179	150	8,758			21,459		4
				2,840,208			5
	200	2,436			2,204		6
207,527	112,791	532,163	122,329	56,022	1,592,604	106,619	7
67,420	78,465	191,830	686,814	136,241	1,317,393	33,826	8
304,540	24,044	315,545	302,682	130,332	719,409	4,014,981	9
220,825	270,690	3,121,396	250,696	142,689	1,356,151	400,512	10
275,627	2,631,910	248,284	122,590	2,239	2,338,558	806,416	11
101,685	40,976	273,489	147,459	194,851	406,052	2,514,322	12
25,208	13,168	176,332	227,030	139,069	377,826	575,272	13
	684	23,600		417	13,434	2,548	14
1,531,189	79,080	844,812	307,150	1,308,544	808,722	13,888,403	15
8,016	6,282	113,301	107,962	301,201	201,503	350	16
153	400	6,588	140,056		16,561		17
2,992	3,962	64,739	7,656		164,384	324	18
6,784	13,658	103,065	210,013	369,446	214,159		19
7,537	2,471	320,779	2,253,424		535,832	103,508	20
117,132	520,569	1,218,044	422,977	1,588,939	1,283,021	149,656	21
3,971,511	698,735	21,505,023	3,192,189	807,107	6,614,632	103,332,322	22
				7,509,500			23
7,199	764	13,473	82,586	293,794	52,384	52,053	24
244,407	296,182	443,692	432,666	840,586	873,719	6,115,933	25
							26
118,013	43,489	290,329	963,085	174,296	1,473,228	7,200,738	27
262,396	1,196,768	755,723	287,088	502,579	4,261,869	1,080,179	28
93,982		296,761	106,621	358,910	1,443,078	4,692,032	29
743	1,067	101,132	24,582	40,012	136,580	7,571	30
5,228	1,500	15,847	50,696		205,805	17,836	31
43,874	41,300	14,549	2,414,446	124,079	107,607	41,743	32
21,396	37,062	149,893	19,379	545,445	519,187	80,580	33
							34
441,595	44,952	447,665	18,260	12,425	5,778,510	6,588,681	35
2,914	8,220	56,647	550,494		204,932		36
67,671	31,938	203,317	315,218	1,589,529	444,447	166,159	37
250,512	210,102	786,528	38,348	334,994	944,893	10,141,614	38
560,337	293,175	375,883	1,922,175	17,171,095	900,595	61,969	39
863,047	129,485	7,466,966	259,609	31,310	2,011,307	12,255,252	40
		263	61,162		9,005		41
100,565	900,370	376,003	164,208	153,834	1,728,887	36,528	42
63,669	163,735	419,266	26,636	35,298	533,433	10,904,099	43
10,229,113	8,026,078	41,933,102	16,644,660	37,906,289	41,165,906	189,715,409	

Continued

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Buildings and works, including land			Equipment		
		Construc- tion or acquisition	Repairs and upkeep	Rentals	Construc- tion or acquisition	Repairs and upkeep	Rentals
		(13)	(14)	(15)	(16)	(17)	(18)
		\$	\$	\$	\$	\$	\$
1	Agriculture.....	19,715,853	1,673,406	293,593	2,791,860	1,022,405	230,520
2	Atomic Energy.....	6,868,481			7,036,219		
3	Auditor General.....						
4	Board of Broadcast Governors.....						
5	Canadian Broadcasting Corporation.						
6	Central Mortgage and Housing Cor- poration.....						
7	Office of the Chief Electoral Officer ..						
8	Defence Production.....	226,006	917	41,418	1,216,693	151,893	2,028
9	Dominion Bureau of Statistics.....			178,456	2,600	2,022	
10	Energy, Mines and Resources.....	3,898,240	78,637	54,584	11,150,804	1,347,388	2,459,092
11	External Affairs.....	1,452,179	558,890	1,250,254	1,273,773	301,923	2,540
12	Finance.....			3,100	187,025	91,047	
13	Fisheries.....	3,425,116	296,830	70,391	4,296,466	830,162	978,833
14	Forestry and Rural Development. ...	2,645,285	241,447	4,717	1,349,109	188,959	64,976
15	Governor General and Lieutenant- Governors.....					718	
16	Indian Affairs and Northern Develop- ment.....	59,825,005	6,849,568	96,652	5,047,816	2,027,646	1,155,453
17	Industry.....						
18	Insurance.....						
19	Justice.....					247	
20	Labour.....						
21	Legislation.....					46	
22	Manpower and Immigration.....	1,670,501	45,752	384,832	58,296	7,966	
23	National Defence.....	26,496,794	40,560,337	6,992,971	230,764,163	138,170,581	305,945
24	National Film Board.....				507,317		
25	National Gallery of Canada.....				54,916	1,457	
26	National Health and Welfare.....	2,389,750	265,788	261,855	1,487,687	180,929	2,312
27	National Research Council, including the Medical Research Council.....	6,969,194	680,820	219,380	396,031	307,005	
28	National Revenue.....	163,765	115,239	24,173	110,540	12,502	
29	Post Office.....			9,941	1,758,345	408,303	126,607
30	Privy Council.....						
31	Public Archives and National Library.				84,735	1,970	1,038
32	Public Printing and Stationery.....						
33	Public Service Commission.....	121,158	575	20,083	198,044		
34	Public Service Staff Relations Board						
35	Public Works.....	70,857,138	16,215,272	17,149,215	2,015,712	1,501,781	187,810
36	Registrar General.....						
37	Secretary of State.....	6,574,937		60,000	72,760	6,717	16,605
38	Solicitor General.....	20,345,355	1,056,632	970,249	5,819,849	2,329,075	183,435
39	Trade and Commerce.....	72,706	216,545	728,194	334,481	26,583	
40	Transport.....	80,505,816	4,540,352	277,780	53,861,384	7,555,403	2,901,879
41	Treasury Board.....						
42	Unemployment Insurance Commission			782	14,075	5,331	
43	Veterans Affairs.....	2,032,113	1,007,602		977,330	292,797	
		316,255,392	74,404,609	29,092,620	332,868,030	156,772,856	8,619,073

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1967

Municipal or public utility services	Contributions, grants, subsidies, etc. not included elsewhere	Pensions, superannuation and other benefits	All other expenditures (other than special categories 23-33)	Special categories	Total standard objects and special categories	Less expenditure recovered	Net total expenditure	Section (Public Accounts, Volume II)
(19)	(20)	(21)	(22)	(23)-(33)	(1)-(33)	(34)		
\$	\$	\$	\$	\$	\$	\$	\$	
1,092,966	125,450,995	28,249	354,818		232,611,072	1,953,976	230,657,096	1
	2,000,000		(1) 47,693,285		63,840,582	3,612,500	60,228,082	2
			634		2,058,677		2,058,677	3
			8,488		601,814		601,814	4
	112,402,865				115,243,073		115,243,073	5
	15,841,564		4,281,388		20,122,952		20,122,952	6
			735,373		919,041		919,041	7
191,619	5,345,265	1,661	9,255,534		42,322,715	140,000	42,182,715	8
	11,256	3,265	24,455		26,635,421		26,635,421	9
83,661	69,725,818	17,103	171,172		130,319,077	130,713	130,188,364	10
503,335	189,427,125	164,421	1,527,737		230,594,646	120,459	230,474,187	11
7,643,856	55,942,915	3,851	561,931	(2) 1,706,046,068	1,836,834,811	803,556	1,836,031,255	12
187,538	4,103,993	18,985	4,029,086		41,883,878	412,527	41,471,351	13
153,440	43,572,108	6,715	4,208,924		66,490,503		66,490,503	14
			891		774,003		774,003	15
3,001,240	19,412,198	54,752	19,658,343		199,797,970	2,382,587	197,415,383	16
	1,191,989		27,273,640		34,697,873		34,697,873	17
			530,179		1,652,187		1,652,187	18
14,954	33,200	1,589,499	23,926		12,607,947	432,910	12,175,037	19
	15,705,640	2,775,845	748,205		24,911,054		24,911,054	20
	108,789	340,030	687,758		17,835,638		17,835,638	21
30,377	261,344,217	67,344	2,039,150		320,416,247		320,416,247	22
3,022,406	23,275,580	135,907,349	19,598,531		1,702,248,651	61,871,093	1,640,377,558	23
	8,200		510,317		8,016,817		8,016,817	24
802,007	6,394,006	2,605	2,184,839	(3) 1,246,026,783	1,318,438,395	2,495,943	1,315,942,452	25
					1,872,361		1,872,361	26
784,737	50,904,326		325,095		102,211,268	7,562,489	94,648,779	27
57,421		6,427	397,431		113,163,957	7,295,839	105,868,118	28
13,135	43,750	208,675	19,982	(4) 78,481,404	268,493,659		268,493,659	29
	39,800		4,141,748		7,897,880		7,897,880	30
			198,700		2,744,263	81,246	2,663,017	31
			10,900		4,020,598		4,020,598	32
	1,788		134,557		10,848,505		10,848,505	33
			29,434		29,434		29,434	34
7,941,643	315,213	55,072	33,079,193	(5) 81,015,489	294,461,681	89,046	294,372,635	35
	14,111	59	48,140		5,529,033		5,529,033	36
	101,041,201	81,079	13,074,291		133,946,999	99,703	133,847,296	37
1,188,990	402,546	13,701,546	2,993,661		162,279,320		162,279,320	38
69,360	31,191,167	75,833	554,776		73,509,965		73,509,965	39
3,827,349	240,723,768	383,120	13,972,095	(6) 43,908,455	604,329,642	330,271	603,999,371	40
	32,372	151,030,274	184,052		153,358,110		153,358,110	41
403		27,826	208,542	(7) 68,770,592	106,547,354	440,303	106,107,051	42
612,102	2,177,523	68,534	2,812,739	(8) 313,040,036	414,251,270	23,430,725	390,820,545	43
1,222,539	1,378,185,288	306,620,119	218,293,940	3,537,288,827	8,911,370,343	113,685,886	8,797,684,457	

(1) This item (22) includes \$47,691,146 in respect of the Atomic Energy of Canada Limited research program.

(2) Interest on public debt, etc. (23) \$1,190,523,254; subsidies and special payments to provinces (24) \$515,522,814.

(3) Family allowances and youth allowances payments and family assistance (25) \$606,948,079; old age assistance, blind persons allowances, disabled persons allowances, unemployment assistance and Canada assistance plan (26) \$191,865,632; hospital insurance and health grants (30) \$447,213,072.

(4) Movement of mail by land, air and water (32) \$78,481,404.

(5) Trans-Canada highway contributions (31) \$81,015,489.

(6) Deficits—government-owned enterprises (33) \$43,908,455.

(7) Government's contribution to the unemployment insurance fund (29) \$68,770,592.

(8) Veterans disability pensions, etc. (27) \$195,883,055; other payments to veterans and dependents (28) \$117,156,981.

Concluded 21

SUMMARY OF REVENUE BY MAIN CLASSIFICATIONS AND

Section (Public Accounts, Volume II)	Department	Tax revenues	Return on investments	Bullion and coinage	Postal revenue
		\$	\$	\$	\$
1	Agriculture.....		649,243		
2	Atomic Energy.....		559,022		
3	Auditor General's Office.....				
4	Board of Broadcast Governors.....				
6	Central Mortgage and Housing Corporation.....		129,673,462		
7	Office of the Chief Electoral Officer.....				
8	Defence Production.....		8,946,874		
9	Dominion Bureau of Statistics.....				
10	Energy, Mines and Resources.....		1,130,783		
11	External Affairs.....		465,082		
12	Finance.....		342,292,868	5,430,009	
13	Fisheries.....		484,557		
14	Forestry and Rural Development.....				
16	Indian Affairs and Northern Development.....	903	790,259		
17	Industry.....		284,669		
18	Insurance.....	169,086			
19	Justice.....				
20	Labour.....		3,839		
21	Legislation.....				
22	Manpower and Immigration.....		1,203		
23	National Defence.....		1,236,463		
24	National Film Board.....				
25	National Gallery of Canada.....				
26	National Health and Welfare.....		83		
27	National Research Council, including the Medical Research Council.....		263		
28	National Revenue.....	7,439,484,812	401		
29	Post Office.....		10,452		253,342,482
30	Privy Council.....				
31	Public Archives and National Library.....		12,416		
32	Public Printing and Stationery.....				
33	Public Service Commission.....				
35	Public Works.....				
36	Registrar General.....				
37	Secretary of State.....				
38	Solicitor General.....		272,017		
39	Trade and Commerce.....		7,759,467		
40	Transport.....		13,976,184		
41	Treasury Board.....				
42	Unemployment Insurance Commission.....				
43	Veterans Affairs.....		10,590,739		
		7,439,654,801	519,140,346	5,430,009	253,342,482

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1967

Privileges, licences and permits	Proceeds from sales	Services and service fees	Refunds of previous years' expenditure	Miscellaneous	Premium, discount and exchange	Total	Section (Public Accounts, Volume II)
\$	\$	\$	\$	\$	\$	\$	
1,516,884	1,630,081	10,647,491	279,618	99,225		14,822,542	1
				3,000		562,022	2
		13,903	856	1		14,760	3
				350		350	4
	3,758,211		2,004,288	993,648		136,429,609	6
			214	1,600		1,814	7
1,058	7,613,304	119,021	87,167	186,186		16,953,610	8
		98,572	1,900			100,472	9
455,544	765,487	53,955	47,432	18,649		2,471,850	10
1,226,629	23,421	16,577	169,959	110,858		2,012,526	11
	51,980	1,616,438	881,269	4,922,502	242,572	355,437,638	12
290,548	154,457	7,318	26,733	55,986		1,019,599	13
151,641	28,313	4,554	64,263	18		248,789	14
7,447,525	1,428,360	973,423	864,395	833,242		12,338,107	16
	4,464		3,795	56,155		349,083	17
		970,924		178		1,140,188	18
		22,857	2,209	50,018		75,084	19
	3,209	1,577	5,099	131,285		145,009	20
349,641		6,065	20,346	96,444		472,496	21
8,422	36,712	36,638	1,492,546	249,808		1,825,329	22
1,341,702	1,417,698	2,094,846	5,296,753	1,104,658		12,492,120	23
			27,559			27,559	24
			2,931	41		2,972	25
283,578	238,499	6,110,538	461,809	63,023		7,157,530	26
			140,855	524		141,642	27
199,089	170,935	355,098	10,836	2,075,052		7,442,296,223	28
			27,286	49,017		253,429,237	29
			6,379	5,152		11,531	30
		18,961	3,784	292		35,453	31
40,886	2,113,877	24,591	8	36,969		2,216,331	32
	1	8,666	5,176			13,843	33
3,863,524	42,544	1,285,398	808,666	1,022,973		7,023,105	35
4,224,320	181	471,514	1,822	699,431		5,397,268	36
487,169	3,319	78	1,249	25,521		517,336	37
1,043,483	976,238	16,463,453	173,149	541,810		19,470,150	38
31,052	6,907	2,331,826	34,198	472,191		10,635,641	39
16,744,636	1,026,395	21,514,058	555,937	240,014		54,057,224	40
				150,766		150,766	41
			4,434	194,758		199,192	42
36,744	7,164		3,681,713	169,484		14,485,844	43
39,744,075	21,501,757	65,268,340	17,196,633	14,660,829	242,572	8,376,181,844	

RETURN ON INVESTMENTS

	Fiscal year ended March 31	
	1967	1966
Loans to, and investments in, Crown corporations—		
Atomic Energy of Canada Limited.....	\$ 559,023	\$ 403,736
Bank of Canada—profits.....	150,584,613	143,106,339
Canadian Broadcasting Corporation.....	2,202,958	1,009,323
Canadian Corporation for the 1967 World Exhibition.....	3,551,620	193,697
Canadian National Railways.....	16,446,239	11,990,965
Canadian Overseas Telecommunication Corporation.....	2,554,838	2,686,495
Central Mortgage and Housing Corporation.....	129,673,462	107,842,851
Eldorado Mining and Refining Limited.....	1,000,000	1,500,000
Export Credits Insurance Corporation.....	7,755,146	6,791,084
Farm Credit Corporation.....	29,140,595	21,012,470
National Capital Commission.....	3,781,179	3,253,842
National Harbours Board.....	1,677,116	4,097,088
Northern Canada Power Commission.....	3,141,905	2,238,480
Polymer Corporation.....	4,500,000	4,500,000
The St. Lawrence Seaway Authority.....	13,754,135	9,399,630
	<i>370,322,829</i>	<i>320,026,000</i>
Other loans and investments—		
United Kingdom.....	21,561,748	1,953,246
Other national governments.....	4,131,073	4,497,939
Provincial governments.....	777,200	973,961
Soldier and general land settlement loans and veterans land act advances.	10,589,327	9,074,913
Exchange fund account.....	60,638,024	62,833,067
Securities investment account.....	3,648,842	1,329,633
Interest-bearing deposits with chartered banks.....	24,209,495	21,703,302
Municipal development and loan board.....	5,933,208	669,789
Defence production.....	4,446,874	1,037,597
Investments held for retirement of unmatured debt.....	78,522	
Investments in United States dollar securities issued by other than the Government of Canada.....	7,930,225	9,212,133
Miscellaneous.....	4,872,979	4,942,549
	<i>148,817,517</i>	<i>118,228,129</i>
	519,140,346	438,254,129

GOVERNMENT OF CANADA EQUITY IN CROWN CORPORATIONS AS AT MARCH 31, 1967

Corporation	Recorded government equity	Unrecorded government equity	Total government equity
	\$	\$	\$
Agency—			
Atomic Energy of Canada Limited.....	105,957,512	⁽¹⁾ 10,227,169	116,184,681
Canadian Arsenals Limited.....	5,000,000	30	5,000,030
Canadian Commercial Corporation.....	10,000,000	397,123	10,397,123
Canadian Dairy Commission.....	71,350	208,190	279,540
Canadian National (West Indies) Steamships Limited.....	325,000	228,092	553,092
Canadian Patents and Development Limited.....	296,199	995,061	1,291,260
Crown Assets Disposal Corporation.....	*7,298,163	100,000	7,398,163
Defence Construction (1951) Limited.....		31	31
The National Battlefields Commission.....		1,550,140	1,550,140
National Capital Commission.....	74,285,920	92,832,641	167,118,561
National Harbours Board.....	222,297,432	221,158,952	443,456,384
Northern Canada Power Commission.....	30,707,023	11,172,273	41,879,296
	456,238,599	338,869,702	795,108,301
Proprietary—			
Air Canada.....		8,283,288	8,283,288
Canadian Broadcasting Corporation.....	64,714,742	27,418,141	92,132,883
Canadian National Railways.....	⁽²⁾ 1,621,899,558	800,752,657	2,422,652,215
Canadian Overseas Telecommunication Corporation.....	49,773,846	19,246,493	69,020,339
Central Mortgage and Housing Corporation.....	2,941,546,817	⁽³⁾ 23,838,580	2,965,385,397
Cornwall International Bridge Company Limited.....		-4,784	-4,784
Eldorado Aviation Limited.....		227,683	227,683
Eldorado Mining and Refining Limited.....	⁽⁴⁾ 8,246,877	43,515,824	51,762,701
Export Credits Insurance Corporation.....	164,412,553	⁽⁵⁾ 13,306,076	177,718,629
Farm Credit Corporation.....	752,492,096	⁽⁶⁾ 20,323,742	772,815,838
Northern Transportation Company Limited.....		7,351,370	7,351,370
Polymer Corporation Limited.....	30,000,000	70,318,823	100,318,823
The St. Lawrence Seaway Authority.....	465,717,860	⁽⁷⁾ 85,295,129	551,012,989
	6,098,804,349	1,119,873,022	7,218,677,371
Other—			
Bank of Canada.....	⁽⁸⁾ 5,920,000	24,080,000	30,000,000
Canadian Corporation for the 1967 World Exhibition.....	175,000,000		175,000,000
Industrial Development Bank.....		18,957,576	18,957,576
Northern Ontario Pipe Line Crown Corporation.....		693,485	693,485
	180,920,000	43,731,061	224,651,061
	6,735,962,948	1,502,473,785	8,238,436,733
*Government equity in agency account recorded in schedule H— “Other loans and investments—miscellaneous”.....	-7,298,163		
Total per schedule F—“Loans to, and investments in, Crown corporations”.....	6,728,664,785		

Total government equity represents the loans, advances and proprietary equities as shown in the financial reports of Crown corporations at their respective year-ends falling in the fiscal year ended March 31, 1967 plus any adjustments for transactions with the corporations from their year-end dates to March 31, 1967 as follows: National Harbours Board, \$4,244,427, Canadian National Railways, \$105,870,778, Central Mortgage and Housing Corporation, \$5,827,672, Export Credits Insurance Corporation, \$5,827,672, The St. Lawrence Seaway Authority, \$10,300,000, and Canadian Corporation for the 1967 World Exhibition, \$38,000,000.

Included in the unrecorded equity of the Government of Canada in Crown corporations are those amounts which, although designated by certain Crown corporations as proprietor's equity, have been financed by the Government of Canada and charged to government expenditure or to net debt, and have been fully expended in the acquisition of the Crown corporation's capital assets.

Certain corporations are wholly-owned subsidiaries of, or are 50% owned by, other Crown corporations. The equity of the government in the share capital of these subordinate companies is included in “Unrecorded government equity”. The relationships between the companies are as follows: Air Canada is a wholly-owned subsidiary of Canadian National Railways, Cornwall International Bridge Company Limited and the Seaway International Bridge Corporation, Ltd., are each 50% owned by The St. Lawrence Seaway Authority, Eldorado Aviation Limited and Northern Transportation Company Limited are wholly-owned subsidiaries of Eldorado Mining and Refining Limited, and the Industrial Development Bank is a wholly-owned subsidiary of the Bank of Canada.

(1) Includes accrued interest \$7,967,458.

(2) Includes advances to Air Canada re 1967 income deficit \$7,343,000 and loans in respect of Yarmouth-Bar Harbour ferry services, \$665,652.

(3) Includes accrued interest, \$18,838,580.

(4) Includes premium on acquisition of capital stock, \$1,660,797.

(5) Includes accrued interest, \$2,595,493.

(6) Includes accrued interest, \$18,735,155.

(7) Includes equity in net income of the Seaway International Bridge Corporation, Ltd., \$181,853.

(8) Includes premium on acquisition of capital stock, \$920,000.

UNMATURED DEBT INCLUDING TREASURY BILLS OF CANADA ON MARCH 31, 1967

			Date of maturity	Rate per cent	Amount of loan
PAYABLE IN CANADA—					
<i>Bonds—</i>					
Loan of 1966.....	CT 25	1967	Apr. 1	4	\$ 170,000,000
Loan of 1966.....	F 1		Apr. 1	4 1/4	155,000,000
Loan of 1961 and 1963.....	AT 9		June 1	4 1/4	275,000,000
Loan of 1965.....	CT 18		June 1	4 1/4	50,000,000
Loan of 1962.....	AT 12		Oct. 1	3 3/4	100,000,000
Loan of 1964 and 1965.....	CT 14		Oct. 1	3 3/4	250,000,000
Loan of 1966.....	F 4		Oct. 1	4 1/4	175,000,000
Canada savings bonds 1955.....	S 10		Nov. 1	3 1/4	17,451,500
Loan of 1962.....	AT 11	1968	Jan. 15	4 1/4	250,000,000
Loan of 1964.....	CT 8		Jan. 15	4 1/4	130,000,000
Loan of 1966.....	F 7		Jan. 15	5 1/2	125,000,000
Refunding loan 1950.....	P 9		June 15	2 3/4	308,581,000
Loan of 1963 and 1964.....	CT 3		Oct. 1	5	441,000,000
Canada savings bonds 1959.....	S 14		Nov. 1	5	770,909,750
Loan of 1960.....	T 39	1969	Apr. 1	5 1/2	80,000,000
Loan of 1962.....	AT 16		Apr. 1	5 1/2	100,000,000
Loan of 1965.....	CT 23		Apr. 1	5 1/2	100,000,000
Canada savings bonds 1956.....	S 11		May 1	4	32,032,050
Loan of 1964.....	CT 11		July 1	5	325,000,000
Loan of 1962.....	AT 13		Oct. 1	5 1/2	80,000,000
Loan of 1965.....	CT 21		Oct. 1	5 1/2	145,000,000
Loan of 1966.....	F 5		Oct. 1	5 3/4	250,000,000
Loan of 1958.....	T 24	1970	May 1	3 1/2	200,000,000
Loan of 1965 and 1966.....	CT 19		July 1	5	175,000,000
Loan of 1966.....	F 2		July 1	5	40,000,000
Canada savings bonds 1957.....	S 12		Nov. 1	4 3/4	185,428,850
Canada savings bonds 1960.....	S 15		Nov. 1	5	251,042,500
Loan of 1966.....	F 8		Dec. 15	5 3/4	300,000,000
Loan of 1964.....	CT 15	1971	June 1	5	350,000,000
Canada savings bonds 1961.....	S 16		Nov. 1	4 1/2	188,283,550
Conversion loan 1958.....	T 28	1972	Sept. 1	4 1/4	1,267,203,100
Loan of 1965.....	CT 17	1973	Oct. 1	5	275,000,000
Canada savings bonds 1958.....	S 13		Nov. 1	4 1/4	64,420,050
Canada savings bonds 1964.....	S 19	1974	Nov. 1	5	465,515,300
Loan of 1959.....	T 36	1975	Oct. 1	5 1/2	310,361,000
Loan of 1965.....	CT 24		Oct. 1	5 1/2	50,000,000
Loan of 1967.....	F 9		Oct. 1	5 1/2	70,000,000
Canada savings bonds 1963.....	S 18		Nov. 1	5	498,526,100
Loan of 1960.....	T 38	1976	Apr. 1	5 1/2	436,198,000
Loan of 1954.....	T 11		June 1	3 1/4	247,046,500
Canada savings bonds 1962.....	S 17		Nov. 1	5	871,334,150
Canada savings bonds 1965.....	S 20	1977	Nov. 1	4 1/2	400,504,600
Loan of 1953 and 1958.....	T 5	1978	Jan. 15	3 3/4	207,911,500
Loan of 1954.....	T 13	1979	Oct. 1	3 1/4	343,246,500
Canada savings bonds 1966.....	CS		Nov. 1	5	2,270,997,350
Loan of 1962.....	AT 14	1980	Aug. 1	5 1/2	120,000,000
Loan of 1966.....	CT 26		Aug. 1	5 1/2	80,000,000
Loan of 1966.....	F 3		Aug. 1	5 1/2	160,000,000
Conversion loan 1958.....	T 29	1983	Sept. 1	4 1/2	1,992,679,450
Loan of 1963.....	AT 21	1988	June 1	5	100,000,000
Loan of 1964.....	CT 9		June 1	5	50,000,000
Loan of 1964 and 1965.....	CT 12	1990	May 1	5 1/4	225,000,000
Loan of 1966.....	F 6	1992	Sept. 1	5 3/4	225,000,000
Conversion loan 1956.....	T 15	1998	Mar. 15	3 3/4	197,045,000
Loan of 1936.....	P 1		Perpetual	3	55,000,000
Special non-marketable bonds (Canada pension plan investment fund).....			various	various	1,894,000
Special non-marketable bonds (Unemployment Insurance Commission).....			various	various	260,000,000
<i>Treasury bills.....</i>			various	various	17,264,611,800
					2,310,000,000
					19,574,611,800
PAYABLE IN NEW YORK—					
<i>Bonds—</i>					
Loan of 1949.....		1974	Sept. 1	2 3/4	65,087,502
Loan of 1950.....		1975	Sept. 15	2 3/4	41,047,527
Loan of 1962.....		1987	Oct. 15	5	259,459,200
					365,594,229
					19,940,206,029

Where various rates of interest are applicable during the term of a loan the interest rate in effect at March 31, 1967 has been used. Bonds payable in New York have been converted at the official parity rate of \$1U.S. = \$1.08108 Canadian.

SUMMARY OF INDIRECT DEBT OR CONTINGENT LIABILITIES

	Amount outstanding March 31	
	1967	1966
	\$	\$
Canadian National Railways securities guaranteed as to principal and interest	1,275,947,986	1,331,547,986
Other guarantees—		
Insured loans made by approved lenders under the National Housing Act, 1954 ⁽¹⁾	5,789,000,000	5,321,621,000
Loans made by lenders under Part IV of the National Housing Act, 1954 for home extensions and improvements ⁽²⁾	18,693,000	17,341,000
Chartered bank deposits in Bank of Canada	1,148,002,000	1,031,322,000
Export Credits Insurance Act	458,096,000	508,213,000
Bank loans to Canadian Wheat Board	329,018,000	232,037,000
Bank loans under Farm Improvement Loans Act	84,786,000	68,891,000
Bank loans under the Small Businesses Loans Act	14,775,000	13,051,000
Bank loans under the Canada Student Loans Act	133,608,000	84,268,000
Notes issued by the Canadian Corporation for the 1967 World Exhibition	175,000,000	44,000,000
Sundry other guarantees (excluding indeterminate amounts ⁽³⁾)	527,000	433,000
	9,427,452,986	8,652,734,986

These contingent liabilities are expressed in Canadian dollars; bonds payable in United States dollars are converted at the rate of \$1 U.S. = \$1.08108 Canadian.

⁽¹⁾ As reported (in accordance with section 45 of the National Housing Loan Regulations) by approved lenders at December 31, within the fiscal year.

⁽²⁾ As at December 31, within the fiscal year.

⁽³⁾ Loans maintained by approved lending institutions under National Housing Acts prior to 1954 Act, and guarantees to owners of returns from moderate rental housing projects, in respect of which funds totalling \$4 million are held by Central Mortgage and Housing Corporation for the purpose of settling claims and in respect of which rental guarantee contracts totalled \$13.1 million in 1966.

EXPLANATORY NOTES

The Government's financial statements and general system of accounting differ from normally accepted commercial accounting practices. The particular aspects and significant features of these differences are more fully explained in the annual Public Accounts as tabled in the House of Commons by the Minister of Finance.

The Government's accounts are maintained on a "cash" basis in order to serve the requirements of Parliament and more particularly to ensure effective control by that body over public moneys. However, there is provision in the Financial Administration Act to permit the inclusion in the fiscal year of expenditures relating thereto which on a pure cash basis would be excluded. As an example liabilities under contracts and other accounts payable at March 31, for which cheques are issued during the month of April, are charged to expenditures in the old year and appear as current liabilities on the statement of assets and liabilities; also, loan discounts and commissions are set up as deferred charges to be amortized over the term of the loan and provision has been made for a reserve for possible losses on realization of assets. Revenues are reported on a cash basis. Consequently taxes assessed and due, other revenues receivable or accrued and other asset accruals and inventories of materials, supplies and equipment are not recorded as assets (except when these are held as charges against working capital accounts or revolving funds) nor are public works and buildings or other fixed or capital assets. Interest payable on public debt is accrued monthly but interest receivable is not accrued and is only taken to account when actually received. It should also be noted that capital works and equipment are recorded at a nominal value of \$1 as they are not considered a proper offset to the gross liabilities in determining the net debt of Canada and their costs of acquisition or construction are charged to expenditures. Furthermore, the statement of assets and liabilities, in accordance with section 64 of the Financial Administration Act, includes such of the assets and liabilities of Canada as in the opinion of the Minister of Finance are required to show the financial position of Canada at the termination of the fiscal year.

There are certain other requirements and minor variations, details of which, along with additional information and specific items in the Statement of Assets and Liabilities, are more fully explained in the annual Public Accounts.

1. Capital assets appearing on the Statement of Assets and Liabilities at a nominal value of \$1 comprise such capital assets of the Government as land, buildings, works, equipment, etc., which in accordance with long standing practice are charged to budgetary expenditures at the time of acquisition or construction.
2. The increase in net debt reflects the budgetary deficit of \$421,502,613 for the fiscal year 1966-67.
3. Additional liabilities for the public service superannuation account, the Canadian forces superannuation account and the Royal Canadian Mounted Police superannuation account arising out of pay increases have been credited to these accounts and charged to deferred charges and are being amortized over a five year period in accordance with amendments to the superannuation acts.
4. Unmatured debt includes bonds payable in New York in the amount of \$338,175,000 U.S. converted at the official parity rate of \$1 U.S. = \$1.08108 Canadian.



PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1968



Abridged Report

ISSUED BY THE DEPARTMENT OF FINANCE



PUBLIC ACCOUNTS OF CANADA

For the Fiscal Year ended March 31, 1968



Abridged Report

ISSUED BY THE DEPARTMENT OF FINANCE

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HIGHLIGHTS OF THE GOVERNMENT'S FINANCIAL OPERATIONS DURING 1967-68

This section outlines the financial operations of the government giving a brief summary of the budgetary and non-budgetary transactions, the unmatured debt transactions and the change in the cash position during 1967-68 and the debt position as at March 31, 1968.

The following table summarizes the budgetary and non-budgetary transactions for 1967-68 with comparative figures for 1966-67 and indicates how these transactions affected the government's cash balances.

SUMMARY OF BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION (in millions of dollars)

	Fiscal year ended March 31	
	1968	1967
Budgetary transactions—		
Revenue—		
Tax.....	8,017	7,440
Non-tax.....	1,060	918
	9,077	8,358
Expenditure—		
Defence.....	1,813	1,696
Non-defence.....	8,059	7,084
	9,872	8,780
Deficit.....	—795	—422
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits—		
Net annuity, insurance and pension accounts receipts.....	465	931
Repayment of advances to exchange fund account.....	322	341
Canada pension plan account.....	672	592
Investments in United States dollar securities issued by other than the Government of Canada.....	57	7
Increase in non-interest-bearing notes payable on demand.....	450	111
Repayment of other loans, investments and advances.....		37
Other.....	445	436
	2,411	2,455
Disbursements and charges—		
Canada pension plan investment fund.....	665	581
Loans, investments and advances.....	1,471	1,564
Other.....	69	420
	2,205	2,565
Net amount available from or required for (—), non-budgetary transactions	206	—110
Overall cash requirement to be financed by increase in unmatured debt or decrease in cash balances.....	—589	—532
Net increase in unmatured debt outstanding in hands of the public.....	790	712
Net increase or decrease (—) in Receiver General bank balances.....	201	180

Budgetary transactions

Revenue

Budgetary revenue of the government in the fiscal year 1967-68 amounted to \$9,077 million. This was \$38 million or about half of one per cent less than the revised forecast of November 30, 1967 of \$9,115 million and \$719 million or 9 per cent more than the total of \$8,358 million collected in 1966-67.

Tax revenue amounted to \$8,017 million, 88 per cent of total budgetary revenue, compared with \$7,440 million or 89 per cent in 1966-67.

Non-tax revenue totalled \$1,060 million compared with \$918 million in 1966-67.

Expenditure

Budgetary expenditure of the government in 1967-68 amounted to \$9,872 million, \$28 million or about one third of one per cent less than the revised forecast of November 30, 1967 and \$1,092 million or about 12 per cent higher than expenditure in 1966-67.

Defence expenditure amounted to \$1,813 million, 18 per cent of total budgetary expenditure, compared with \$1,696 million and 19 per cent in 1966-67 and was again the largest category.

Civil or non-defence expenditure totalled \$8,059 million compared with \$7,084 million in 1966-67, an increase of \$975 million.

Deficit

Expenditure of \$9,872 million exceeded revenue of \$9,077 million resulting in a deficit of \$795 million for 1967-68 compared with a deficit of \$785 million as forecast on November 30, 1967 and the deficit of \$422 million in 1966-67.

Non-budgetary transactions (excluding unmatured debt transactions)

In the 1967-68 fiscal year non-budgetary transactions (excluding those in respect of unmatured debt) resulted in a net receipt of \$206 million compared with a net requirement of \$110 million in 1966-67.

Old age security fund

Receipts credited to the fund in 1967-68 totalled \$1,495 million and pension payments charged to the fund totalled \$1,388 million. In 1966-67 receipts were \$1,285 million and disbursements were \$1,073 million.

The higher receipts in 1967-68 were due partly to an increase from \$120 to \$240 effective January 1, 1967 in the maximum amount payable by an individual on account of the 4 per cent old age security tax on personal incomes. The increase in pension payments was due mainly to payments of \$234 million attributable to the guaranteed income supplement which became effective January 1, 1967, partly to the lowering of the age limit for eligibility to 68 years on January 1, 1967 and to 67 years on January 1, 1968 and partly to an increase in the pension rate from \$75 to \$76.50 per month effective January 1, 1968.

The transactions in the fund during 1967-68 compared with those for 1966-67 were as follows:

	Fiscal year ended March 31	
	1968	1967
	(in millions of dollars)	
Balance in fund at beginning of fiscal year.....	429	217
Receipts—		
Sales tax.....	545	559
Personal income tax.....	800	577
Corporation income tax.....	150	149
	1,924	1,502
Disbursements—		
Pension payments.....	—1,388	—1,073
Balance in fund at end of fiscal year.....	536	429

Canada pension plan account

Receipts credited to the fund in 1967-68 totalled \$685 million and disbursements (mainly administrative costs) totalled \$13 million. In 1966-67 receipts were \$600 million and disbursements were \$8 million.

The transactions in the fund during 1967-68 compared with those for 1966-67 were as follows:

	Fiscal year ended March 31	
	1968	1967
	(in millions of dollars)	
Balance at beginning of fiscal year.....	681	89
Receipts.....	685	600
Disbursements.....	— 13	— 8
Balance at end of fiscal year.....	<u>1,353</u>	<u>681</u>

The balance in the account at March 31, 1968 consisted of investments of \$1,275 million in provincial government securities and \$6 million in federal government securities and an operating balance of \$72 million on deposit with the Receiver General of Canada.

Unmatured debt transactions

These transactions resulted in an increase of \$790 million in unmaturred debt outstanding in the hands of the public compared with an increase of \$712 million in 1966-67.

Change in cash position

Receiver General bank balances in current and special deposits were \$201 million higher at March 31, 1968 than at March 31, 1967. This was due to the fact that the increase of \$790 million in unmaturred debt outstanding in the hands of the public plus non-budgetary net receipts of \$206 million more than offset the budgetary deficit of \$795 million.

Change in debt position

As a result of budgetary and non-budgetary transactions the gross liabilities increased by \$2,584 million to \$32,924 million at March 31, 1968, net recorded assets increased by \$1,789 million to \$16,164 million and the net debt increased by \$795 million (equivalent to the budgetary deficit for the fiscal year) to \$16,760 million.

STATEMENT OF EXPENDITURE AND REVENUE

(with comparison of 1967-68 with 1966-67)

EXPENDITURE	Fiscal year ended	
	March 31, 1968	March 31, 1967
Agriculture.....	\$ 277,066,204	\$ 230,657,096
Atomic Energy.....	69,301,717	60,228,082
Auditor General's Office.....	2,268,666	2,058,677
Board of Broadcast Governors.....	1,033,551	601,814
Canadian Broadcasting Corporation.....	143,283,051	115,243,073
Central Mortgage and Housing Corporation.....	23,131,106	20,122,952
Chief Electoral Officer.....	755,357	919,041
Consumer and Corporate Affairs.....	7,594,713	5,529,033
Defence Production.....	35,499,257	34,182,715
Dominion Bureau of Statistics.....	22,474,762	26,635,421
Energy, Mines and Resources.....	138,113,503	130,188,364
External Affairs.....	215,748,898	230,474,187
Finance—		
Public debt charges.....	1,300,748,995	1,190,523,254
Fiscal, tax-sharing, subsidies and other payments to provinces.....	737,510,554	515,522,814
Other expenditure.....	110,575,776	129,985,187
	<u>2,148,835,325</u>	<u>1,836,031,255</u>
Fisheries.....	51,740,982	41,471,351
Forestry and Rural Development.....	81,062,602	66,490,503
Governor General and Lieutenant-Governors.....	959,867	774,003
Indian Affairs and Northern Development.....	231,436,114	197,415,383
Industry.....	118,198,390	78,519,018
Insurance.....	1,904,188	1,652,187
Justice.....	15,354,385	12,175,037
Labour.....	10,879,841	24,911,054
Legislation.....	18,305,865	17,835,638
Manpower and Immigration.....	421,593,934	320,416,247
National Defence—		
Defence services.....	1,527,867,125	1,435,115,001
Defence research.....	50,458,382	44,202,185
Other expenditure.....	175,156,881	161,060,372
	<u>1,753,482,388</u>	<u>1,640,377,558</u>
National Film Board.....	9,323,211	8,016,817
National Gallery of Canada.....	2,949,577	1,872,361
National Health and Welfare—		
Family allowances.....	558,774,458	555,794,947
Other expenditure.....	929,520,668	760,147,505
	<u>1,488,295,126</u>	<u>1,315,942,452</u>
National Research Council including the Medical Research Council.....	121,748,623	94,648,779
National Revenue.....	115,058,155	105,868,118
Post Office.....	301,845,593	268,493,659
Privy Council.....	12,483,776	7,897,880
Public Archives and National Library.....	3,592,229	2,663,017
Public Printing and Stationery.....	4,874,166	4,020,598
Public Service Commission.....	13,390,368	10,848,505
Public Service Staff Relations Board.....	982,686	29,434
Public Works.....	308,599,166	294,372,635
Secretary of State.....	189,882,484	133,847,296
Solicitor General.....	153,459,858	144,275,859
Trade and Commerce.....	81,383,082	73,509,965
Transport.....	606,933,126	568,178,226
Treasury Board.....	158,573,075	153,358,110
Unemployment Insurance Commission.....	107,150,238	106,107,051
Veterans Affairs—		
Pensions.....	205,598,530	195,910,381
Other expenditure.....	195,216,382	194,910,164
	<u>400,814,912</u>	<u>390,820,545</u>
Total expenditure.....	<u>9,871,364,117</u>	<u>8,779,680,996</u>
Budgetary deficit.....	<u>-794,774,669</u>	<u>-421,502,613</u>
	<u>9,076,589,448</u>	<u>8,358,178,383</u>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

FISCAL YEAR ENDED MARCH 31, 1968

(preceding fiscal year)

REVENUE	Fiscal year ended	
	March 31, 1968	March 31, 1967
Tax revenues—		
Income tax—		
Personal ⁽¹⁾	\$ 2,849,573,890	\$ 2,473,820,311
Corporation ⁽¹⁾	1,670,589,109	1,593,224,756
On dividends, interest, etc., going abroad.....	220,472,054	203,621,403
Excise taxes—		
Sales ⁽¹⁾	1,601,092,631	1,513,565,998
Other.....	337,048,159	315,580,981
Customs import duties.....	746,437,351	777,585,703
Excise duties.....	488,554,309	460,980,029
Estate tax.....	102,192,358	101,105,631
Miscellaneous.....	302,582	169,989
	8,016,262,443	7,439,654,801
Non-tax revenues—		
Return on investments.....	612,274,956	519,140,346
Post Office—net postal revenue.....	281,645,632	253,342,482
Refunds of previous years' expenditure.....	21,655,833	17,196,633
Services and service fees.....	58,914,544	48,813,292
Proceeds from sales.....	18,530,640	20,954,188
Privileges, licences and permits.....	41,610,501	38,754,392
Bullion and coinage.....	10,672,046	5,430,009
Premium, discount and exchange.....		242,572
Miscellaneous.....	15,022,853	14,649,668
	1,060,327,005	918,523,582

⁽¹⁾Excluding tax credited to:

	1967-68	1966-67
Old age security fund—		
Personal income tax.....	\$800,100,000	\$576,600,000
Corporation income tax....	150,000,000	149,500,000
Sales tax.....	544,516,014	559,515,045

Total revenue.....	9,076,589,448	8,358,178,383
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The Auditor General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

THE GOVERNMENT OF CANADA

STATEMENT OF ASSETS AND LIABILITIES

(with comparative figures for 1967)

ASSETS	March 31, 1968	March 31, 1967
Current assets—		
Cash.....	\$ 1,260,654,098	\$ 1,009,249,467
Departmental working capital advances.....	186,540,216	157,794,702
Securities held for the securities investment account at amortized cost.....	44,354,537	197,689,061
Other current assets.....	39,121,940	29,232,481
	<u>1,530,670,791</u>	<u>1,393,965,711</u>
Cash in blocked currency.....	2,136,260	2,136,260
Advances to the exchange fund account—(value of investments from advances on basis of official parity rates: March 31, 1968 \$2,063,040,896; March 31, 1967 \$2,384,728,896).....	2,033,312,000	2,355,000,000
Investments in United States dollar securities issued by other than the Government of Canada.....	122,616,661	180,029,353
Canada pension plan investment fund.....	1,280,788,000	615,521,000
Investments held for the retirement of unmatured debt.....	8,140,398	3,151,500
Loans to, and investments in, Crown corporations.....	7,618,793,554	6,460,733,930
Recovery likely to require parliamentary appropriations.....	316,817,110	267,930,855
	<u>7,935,610,664</u>	<u>6,728,664,785</u>
Loans to national governments.....	1,206,083,565	1,201,581,177
Other loans and investments—		
Subscriptions to capital of, and working capital advances and loans to, international organizations.....	969,646,296	952,187,667
Loans to provincial governments.....	187,748,438	123,515,007
Municipal development and loan board advances (less reserve for forgiveness of indebtedness).....	279,673,531	231,233,935
Veterans land act fund (less reserve for conditional benefits).....	382,949,441	311,408,833
Miscellaneous.....	121,269,244	91,556,780
Recovery likely to require parliamentary appropriations.....	3,869,256	4,095,991
	<u>1,945,156,206</u>	<u>1,713,998,213</u>
Securities held in trust.....	59,535,445	50,852,748
Deferred charges—		
Unamortized portions of actuarial deficiencies—		
Canadian forces superannuation account.....	187,617,200	260,223,200
Public service superannuation account.....	150,319,800	189,453,200
Royal Canadian Mounted Police superannuation account.....	15,816,000	10,956,800
Unamortized loan flotation costs.....	138,201,555	121,212,572
	<u>491,954,555</u>	<u>581,845,772</u>
Capital assets.....	1	1
Inactive loans and investments.....	94,824,381	94,824,381
Total recorded assets.....	<u>16,710,828,927</u>	<u>14,921,570,901</u>
Less: reserve for losses on realization of assets.....	—546,384,065	—546,384,065
Net recorded assets.....	<u>16,164,444,862</u>	<u>14,375,186,836</u>
Net debt, represented by excess of liabilities over net recorded assets.....	16,759,725,147	15,964,950,478
	<u>32,924,170,009</u>	<u>30,340,137,314</u>

H. R. BALLS,
Comptroller of the Treasury.

R. B. BRYCE,
Deputy Minister of Finance.

IES AS AT MARCH 31, 1968

ch 31, 1967)

LIABILITIES

	<i>March 31, 1968</i>	<i>March 31, 1967</i>
Current and demand liabilities—		
Outstanding treasury cheques.....	\$ 427,400,654	\$ 382,624,889
Accounts payable (that portion paid in April of the next following fiscal year)	520,196,369	454,510,346
Non-interest-bearing notes payable to the international monetary fund and other international organizations.....	816,729,712	366,378,362
Matured debt outstanding.....	25,969,247	30,670,121
Interest due and outstanding.....	161,569,528	111,271,485
Interest accrued.....	315,282,741	286,250,208
Other current liabilities.....	43,479,142	40,396,425
	<i>2,310,627,393</i>	<i>1,672,101,836</i>
Deposit and trust accounts.....	440,885,029	347,314,229
Annuity, insurance and pension accounts.....	9,052,968,054	7,915,921,717
Undisbursed balances of appropriations to special accounts.....	124,818,768	101,517,632
Refundable corporation tax.....	235,268,700	196,157,131
Provision for estimated premium on redemption of bonds.....	26,041,259	19,993,056
Deferred credits.....	149,861,259	142,827,514
Suspense accounts.....	3,824,513	4,098,170
Unmatured debt—		
(a) Bonds.....	18,099,875,034	17,630,206,029
(b) Treasury bills.....	2,480,000,000	2,310,000,000
	<i>20,579,875,034</i>	<i>19,940,206,029</i>

NOTE: The indirect or contingent liabilities of the Government of Canada, consisting of railway securities guaranteed as to principal and interest, \$1,197,180,986; other guarantees of \$8,302,731,169; together with certain indeterminate guarantees, are listed on page 27.

Total liabilities.....	<u>32,924,170,009</u>	<u>30,340,137,314</u>
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The Auditor General's statutory certificate, as required by the Financial Administration Act, is included in the official Public Accounts.

BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION

(in millions of dollars)

	Fiscal year ended March 31	
	1968	1967
Budgetary transactions—		
Revenue	9,076.6	8,358.2
Expenditure	—9,871.4	—8,779.7
Deficit	—794.8	—421.5
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits (net)	2,411.4	2,042.3
Disbursements and charges (net)	—2,205.1	—2,152.7
Net amount required for non-budgetary transactions	206.3	—110.4
Overall cash requirement to be financed by increase in unmatured debt or decrease in cash balances	—588.5	—531.9
Net increase in unmatured debt outstanding in the hands of the public—		
Unmatured debt—		
Bonds ⁽¹⁾	469.7	670.4
Treasury bills	170.0	160.0
	639.7	830.4
Securities investment account ⁽²⁾	154.9	—115.4
Investments held for retirement of unmatured debt	—4.9	—3.2
	150.0	—118.6
	789.7	711.8
Net increase in Receiver General bank balances	201.2	179.9

⁽¹⁾Includes increases of \$36 million in 1967-68 and \$116 million in 1966-67 in special non-marketable bonds issued to the Unemployment Insurance Commission, and \$4 million in 1967-68 and \$2 million in 1966-67 in special issues to the Canada pension plan.

⁽²⁾Excluding securities other than government securities.

NON-BUDGETARY RECEIPTS AND CREDITS

(in millions of dollars)

	Fiscal year ended March 31	
	1968	1967
Repayments of loans, investments and advances—		
Investments in United States dollar securities issued by other than the Government of Canada	57.4	7.2
Exchange fund account	321.7	341.0
	379.1	348.2
Annuity, insurance and pension accounts—		
Superannuation accounts—		
Public service	186.3	299.1
Canadian forces	146.3	392.8
Royal Canadian Mounted Police	19.6	19.7
Canada pension plan account	671.9	591.5
Old age security fund	106.5	212.6
Other	6.5	7.3
	1,137.1	1,523.0
Other receipts and credits—		
Non-interest-bearing notes	450.3	111.0
Outstanding treasury cheques	44.8	49.7
Accounts payable	65.7	74.2
Interest accrued	29.1	31.9
Interest due and outstanding	50.3	0.4
Canadian Commercial Corporation—special deposit	38.2	
Canadian Dairy Commission—deposit account	25.2	
Provincial tax collection agreements account	27.7	26.2
Undisbursed balances of appropriations to special accounts	23.3	—10.2
Refundable corporation tax	39.1	196.2
Deferred credits	7.0	4.7
Deferred charges	89.9	—325.3
Miscellaneous	4.6	12.3
	895.2	171.1
	2,411.4	2,042.3

NON-BUDGETARY DISBURSEMENTS AND CHARGES

(in millions of dollars)

	Fiscal year ended March 31	
	1968	1967
Loans, investments and advances—		
Defence production revolving fund	5.0	11.4
Stockpiling of uranium concentrates	17.7	20.1
Atomic Energy of Canada Limited	32.9	28.4
Canada Deposit Insurance Corporation	29.4	
Canadian Broadcasting Corporation	18.4	35.0
Canadian Corporation for the 1967 World Exhibition	30.0	131.0
Canadian Commercial Corporation	6.5	4.5
Canadian Dairy Commission	22.1	
Canadian National Railways (including Air Canada)	163.8	127.3
Canadian Overseas Telecommunication Corporation	2.6	-2.7
Cape Breton Development Corporation	5.2	
Central Mortgage and Housing Corporation	633.9	488.6
Export Credits Insurance Corporation	34.7	36.2
Farm Credit Corporation	169.2	164.1
National Capital Commission	0.8	7.0
National Harbours Board	27.8	19.5
Northern Canada Power Commission	2.9	0.8
The St. Lawrence Seaway Authority	26.7	29.8
National governments	4.5	-23.6
Subscriptions to capital of international organizations	17.7	227.5
Municipal development and loan board advances	48.5	122.3
Veterans land act fund	71.5	55.2
Provincial governments	64.2	26.8
Defence plant modernization	10.2	
Loans to manufacturers of automotive products	7.9	12.5
Miscellaneous	17.2	12.3
	1,471.3	1,534.0
Other disbursements and charges—		
Canada pension plan investment fund	665.3	580.6
Matured debt outstanding	4.7	-3.4
Cash in hands of collectors and in transit	50.0	70.2
Moneys received after March 31, but applicable to current year	5.1	-27.6
Securities held in trust	8.7	-1.1
	733.8	618.7
	2,205.1	2,152.7

BUDGETARY EXPENDITURE CLASSIFIED BY FUNCTION

(in millions of dollars)

	Fiscal year ended March 31			
	1968		1967	
	Amount	Per cent	Amount	Per cent
Defence	1,813.0	18.4	1,695.9	19.3
Health, welfare and social security ⁽¹⁾	1,805.2	18.3	1,635.8	18.6
Public debt charges	1,300.8	13.2	1,190.5	13.6
Payments to provincial and municipal governments ⁽²⁾	788.4	8.0	559.5	6.4
Veterans affairs	400.8	4.1	390.8	4.5
Transportation and communication	1,138.3	11.5	1,082.1	12.3
Resources and industrial development	1,087.3	11.0	853.2	9.7
Education	444.1	4.5	329.7	3.7
International co-operation	176.5	1.8	192.2	2.2
General government	815.3	8.2	769.9	8.8
Unclassified	101.7	1.0	80.1	0.9
	9,871.4	100.0	8,779.7	100.0

⁽¹⁾Pension payments out of the old age security fund are not included.

⁽²⁾Does not include those payments made to provincial and municipal governments for specific purposes.

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Civil salaries and wages	Civilian allowances	Pay and allowances, Defence Forces and R.C.M. Police	Professional and special services	Travelling and removal expenses
		(1)	(2)	(3)	(4)	(5)
		\$	\$	\$	\$	\$
1	Agriculture	70,516,928	172,792		3,022,125	4,154,043
2	Atomic Energy	255,071			340	25,224
3	Auditor General's Office	2,098,149			10,471	99,138
4	Board of Broadcast Governors	502,302	30,900		377,356	41,734
5	Canadian Broadcasting Corporation					
6	Central Mortgage and Housing Corporation					
7	Chief Electoral Officer	143,113			12,492	1,800
8	Consumer and Corporate Affairs	5,664,328	1,983		516,909	165,465
9	Defence Production	22,200,882	288,565		3,368,442	803,025
10	Dominion Bureau of Statistics	18,422,238			1,090,758	428,887
11	Energy, Mines and Resources	36,583,012	114,268		4,037,728	2,474,084
12	External Affairs	21,673,797	7,636,116		1,113,391	3,922,720
13	Finance	31,642,490	90,549		561,736	563,374
14	Fisheries	19,852,209	373,561		638,662	1,598,637
15	Forestry and Rural Development	14,768,022	2,000		346,128	1,096,767
16	Governor General and Lieutenant-Governors	612,827	204,389		716	26,926
17	Indian Affairs and Northern Development . .	48,092,302	2,115,103		20,521,073	4,120,170
18	Industry	7,003,424	7,617		682,240	476,640
19	Insurance	1,069,600			6,000	42,747
20	Justice	12,835,943	24,395		337,259	453,967
21	Labour	4,542,326	33,755		844,431	185,144
22	Legislation	11,610,690	1,885,435		47,160	488,027
23	Manpower and Immigration	55,388,095	1,203,235		1,401,939	2,759,338
24	National Defence	200,156,836	753,417	695,607,761	54,767,344	44,793,849
25	National Film Board					
26	National Gallery of Canada	731,032			225,552	58,842
27	National Health and Welfare	41,127,057	1,110,844		13,620,879	2,152,903
28	National Research Council including the Medical Research Council	29,537,029	480,132		3,905,402	738,966
29	National Revenue	106,431,009	265,907		999,241	4,222,321
30	Post Office	199,559,571	2,068,349		160,354	1,089,631
31	Privy Council	2,949,128	26,533		2,080,672	183,204
32	Public Archives and National Library	2,465,702	45,534		127,317	19,520
33	Public Printing and Stationery	1,396,029			16,247	14,614
34	Public Service Commission	9,144,928			340,732	486,532
35	Public Service Staff Relations Board	621,149	600		75,516	52,875
36	Public Works	45,902,546	1,228,744		5,892,954	1,401,178
37	Secretary of State	9,643,398	2,000		2,188,020	459,810
38	Solicitor General	38,310,221	32,184	63,955,529	3,597,182	4,865,367
39	Trade and Commerce	16,689,452	2,610,062		528,014	2,135,582
40	Transport	123,963,615	2,297,152		12,141,493	5,916,753
41	Treasury Board	3,477,787	30,540		129,967	74,836
42	Unemployment Insurance Commission	31,832,241	17,571		1,369,158	1,160,663
43	Veterans Affairs	61,696,322	221,159		16,691,341	973,684
		1,311,112,800	25,375,391	759,563,290	157,794,741	94,728,987

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1968

Freight, express and cartage	Postage	Telephones, telegrams and other communi- cation services	Publication of departmental reports and other material	Exhibits, advertising, films, broadcasting and displays	Office stationery, supplies, equipment and furnishings	Materials and supplies	Section (Public Accounts, Volume II)
(6)	(7)	(8)	(9)	(10)	(11)	(12)	
\$	\$	\$	\$	\$	\$	\$	
245,781	135,304	719,367	602,438	238,407	2,430,053	4,663,567	1
	366	4,976	1,108		10,117		2
405	602	12,486	18,305		28,047		3
133	300	12,720			61,283		4
				3,780,351			5
	200	2,821			5,829		6
	7,612	76,741	610,284		387,553		7
2,092	123,350	599,859	99,868	33,592	2,005,495	120,917	8
300,474	50,311	200,307	616,715	113,332	1,696,532	32,656	9
17,572	29,766	397,140	323,342	176,968	1,034,951	5,263,145	10
387,540	293,546	3,398,849	439,890	157,668	2,001,207	446,209	11
304,865	2,750,701	324,070	159,104		3,827,064	1,278,795	12
394,639	44,233	316,543	249,988	273,493	662,723	2,704,095	13
94,620	16,810	206,286	324,238	428,455	726,699	834,493	14
30,382							15
	844	33,289		5,653	27,254	44,795	16
92	77,706	1,106,750	363,480	657,230	1,401,569	10,693,004	17
1,850,894	8,283	180,633	137,888	494,055	1,264,509	744	18
4,442	500	9,127	163,204		31,711		19
753	4,219	84,263	3,050		248,781	202	20
3,634	13,913	99,715	186,826	245,779	215,445		21
6,791	2,584	353,540	2,601,683		476,566	105,930	22
7,506	572,992	1,680,875	600,151	998,610	2,801,994	136,924	23
188,169	743,219	18,872,390	2,919,990	656,598	6,783,620	106,697,659	24
4,059,998				8,662,800			25
	1,000	21,920	99,063	440,891	98,437	49,651	26
5,652	410,815	639,462	457,715	680,139	1,417,741	6,781,353	27
281,290							
	66,257	298,530	1,207,541	75,924	1,673,086	8,196,601	28
123,180	1,367,040	952,691	337,641	510,674	5,286,304	1,101,088	29
329,409		378,813	113,594	389,352	2,281,619	5,571,265	30
114,027	1,182	123,380	31,438	29,551	213,818	6,437	31
2,615	3,800	27,147	88,362	89,538	419,073	5,719	32
2,802	45,000	16,766	2,912,117	162,905	85,871	56,389	33
65,926	40,582	175,000	15,367	541,155	1,030,111	31,062	34
16,769	967	12,082	28,738		125,702		35
	46,175	604,099	18,060	15,167	1,145,945	7,238,871	36
807,444	41,348	281,129	294,862	1,296,036	558,632	212,788	37
114,895	251,188	1,007,524	46,362	72,883	1,207,705	11,594,010	38
422,295	324,813	493,275	1,794,735	15,810,673	1,287,571	95,641	39
682,889	136,011	8,709,144	290,302	72,708	2,977,379	18,805,927	40
1,007,869			51,787		161,812		41
	962,246	461,038	97,165	87,179	1,683,570	55,609	42
108,245	163,619	434,539	18,797	14,619	748,683	11,241,240	43
52,907							
12,038,996	8,739,404	43,329,286	18,325,198	37,212,385	50,532,061	204,066,786	

Continued

SUMMARY OF EXPENDITURE BY STANDARD OBJECTS AND

Section (Public Accounts, Volume II)	Department	Buildings and works, including land			Equipment		
		Construc- tion or acquisition	Repairs and upkeep	Rentals	Construc- tion or acquisition	Repairs and upkeep	Rentals
		(13)	(14)	(15)	(16)	(17)	(18)
		\$	\$	\$	\$	\$	\$
1	Agriculture	18,831,264	1,643,193	470,692	3,456,053	1,087,857	228,59
2	Atomic Energy	5,130,632			7,490,164		
3	Auditor General's Office						
4	Board of Broadcast Governors						
5	Canadian Broadcasting Corporation						
6	Central Mortgage and Housing Corporation						
7	Chief Electoral Officer						
8	Consumer and Corporate Affairs						
9	Defence Production	223,292	5,409	83,547	795,898	128,886	4,29
10	Dominion Bureau of Statistics			10,490		64,998	
11	Energy, Mines and Resources	4,349,870	113,349	52,887	14,033,252	1,476,837	3,282,99
12	External Affairs	3,390,453	681,939	1,464,156	2,253,271	333,117	3,33
13	Finance			3,101	153,619	94,596	
14	Fisheries	4,134,570	345,433	121,828	4,731,092	998,608	1,181,39
15	Forestry and Rural Development	4,565,158	239,646	7,957	1,624,060	239,937	59,61
16	Governor General and Lieutenant-Governors					1,874	
17	Indian Affairs and Northern Development	66,571,068	6,744,240	258,401	5,163,862	2,081,825	1,054,58
18	Industry						
19	Insurance						
20	Justice					215	
21	Labour						
22	Legislation					72	
23	Manpower and Immigration	145,264	88,724	417,905	62,304	6,676	
24	National Defence	25,155,923	36,601,054	7,024,597	274,121,060	141,855,851	384,48
25	National Film Board				660,411		
26	National Gallery of Canada				63,632	3,524	
27	National Health and Welfare	1,934,023	269,908	215,626	1,834,194	203,845	2,03
28	National Research Council including the Medical Research Council	9,232,166	937,466	208,721	575,860	447,387	
29	National Revenue	56,655	112,738	28,250	53,168	16,130	
30	Post Office			7,874	2,386,535	521,849	240,03
31	Privy Council						
32	Public Archives and National Library				39,264	3,791	3,62
33	Public Printing and Stationery						
34	Public Service Commission	768,910	30,650	14,065	548,504		
35	Public Service Staff Relations Board						
36	Public Works	95,873,176	19,890,933	27,217,086	2,585,662	1,612,567	199,66
37	Secretary of State	19,530,352		15,000	221,001	9,889	29,96
38	Solicitor General	26,254,874	1,066,765	1,302,213	6,840,499	2,639,092	284,72
39	Trade and Commerce	113,982	371,517	849,456	364,802	26,618	
40	Transport	81,733,584	2,196,952	318,199	39,256,502	5,847,359	3,647,05
41	Treasury Board						
42	Unemployment Insurance Commission			1,203	7,642	7,272	
43	Veterans Affairs	4,203,163	1,031,609	62,232	1,598,508	320,930	
		372,198,379	72,371,525	40,155,486	370,920,819	160,031,602	10,606,41

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1968

Municipal or public utility services	Contributions, grants, subsidies, etc. not included elsewhere	Pensions, superannuation and other benefits	All other expenditures (other than special categories 23-33)	Special categories	Total standard objects and special categories	Less expenditure recovered	Net total expenditure	Section (Public Accounts Volume II)
(19)	(20)	(21)	(22)	(23)-(33)	(1)-(33)	(34)		
\$	\$	\$	\$	\$	\$	\$	\$	
1,186,238	164,987,556 2,500,000	47,967	437,835 (1) 56,887,515 1,063 6,823		279,278,052 72,305,513 2,268,666 1,033,551 143,283,051	2,211,848 3,003,796	277,066,204 69,301,717 2,268,666 1,033,551 143,283,051	1 2 3 4 5
	139,502,700							
	1,724,570		21,406,536 589,102 143,115		23,131,106 755,357 7,594,713		23,131,106 755,357 7,594,713	6 7 8
228,632	18,613 4,797,379 11,519	18 2,221	1,595,229 6,182		37,809,257 22,762,497	2,310,000 287,735	35,499,257 22,474,762	9 10
101,360	62,946,281	30,436	1,024,627		138,233,842	120,339	138,113,503	11
563,905	163,991,730	161,578	1,621,472		215,853,216	104,318	215,748,898	12
41,597,798	26,083,399	11,125	2,980,509	(2) 2,038,259,549	2,150,776,218	1,940,893	2,148,835,325	13
188,604	9,088,141	22,526	4,542,691		52,163,656	422,674	51,740,982	14
153,115	48,399,408	10,404	7,750,560		81,830,135	767,533	81,062,602	15
			1,208		959,867		959,867	16
2,820,875	35,796,358 107,839,343	65,097	23,403,072 98,572 580,546		234,958,664 118,198,390 1,904,188	3,522,550	231,436,114 118,198,390 1,904,188	17 18 19
5,672	200 1,025,186 108,468	1,752,985 2,987,907 359,077	37,821 492,623 259,127		15,792,606 10,879,841 18,305,865	438,221	15,354,385 10,879,841 18,305,865	20 21 22
38,403	300,516,350	73,444	52,512,542		421,593,934		421,593,934	23
23,042,402	27,594,143	150,048,665	18,670,469		1,841,311,333 9,323,211 2,949,577	87,828,945	1,753,482,388 9,323,211 2,949,577	24 25 26
910,640	29,500 6,482,550		1,120,881 2,577,550	(3) 1,409,707,810	1,492,818,379	4,523,253	1,488,295,126	27
995,428 50,780 8,632	71,192,126 54,125 12,892	254,237	458,853 490,632 31,366 6,822,926 348,647 102,302 202,586 64,353	(4) 86,614,368	130,350,655 122,611,678 301,845,593 12,483,776 3,689,841 4,874,166 13,390,368 982,686	8,602,032 7,553,523	121,748,623 115,058,155 301,845,593 12,483,776 3,592,229 4,874,166 13,390,368 982,686	28 29 30 31 32 33 34 35
8,492,255	324,685 139,901,319	56,902 92,118	23,707,341 14,989,919	(5) 64,737,684	308,999,139 189,882,484 184,673,097 81,383,082	399,973 31,213,239	308,599,166 189,882,484 153,459,858 81,383,082	36 37 38 39
1,474,697 79,271	488,990 36,394,352	15,795,436 62,514	3,163,356 667,863	(6) 67,117,383	607,212,947 158,573,075	279,821	606,933,126 158,573,075	40 41
4,248,521	222,760,484 38,000	445,318 154,286,653	3,323,233 321,693					
96 552,763	522,107	29,121 65,313	224,809 3,924,313	(7) 69,491,543 (8) 320,213,434	107,596,371 424,751,282	446,133 23,936,370	107,150,238 400,814,912	42 43
86,740,087	1,575,136,593	326,661,062	257,591,862	4,056,141,771	10,051,374,925	180,010,808	9,871,364,117	

(1) This item (22) includes \$56,883,000 in respect of the Atomic Energy of Canada Limited research program.

(2) Interest on public debt, etc. (23) \$1,300,748,995; subsidies and special payments to provinces (24) \$737,510,554.

(3) Family allowances and youth allowances payments and family assistance (25) \$612,413,193; old age assistance, blind persons allowances, disabled persons allowances, unemployment assistance and Canada assistance plan (26) \$250,006,229; hospital insurance and health grants (30) \$547,288,388.

(4) Movement of mail by land, air and water (32) \$86,614,368.

(5) Trans-Canada highway construction (31) \$64,737,684.

(6) Deficits—government-owned enterprises (33) National Harbours Board \$766,600; St. Lawrence Seaway Authority \$8,224,768; Department of Transport \$58,126,014.

(7) Governments contribution to the unemployment insurance fund (29) \$69,491,543.

(8) Veterans disability pensions, etc. (27) \$205,571,191; other payments to veterans and dependents (28) \$114,642,243.

Concluded 21

SUMMARY OF REVENUE BY MAIN CLASSIFICATIONS AND

Section (Public Accounts, Volume II)	Department	Tax revenues	Return on investments	Bullion and coinage	Postal revenue
		\$	\$	\$	\$
1	Agriculture.....		771,586		
2	Atomic Energy.....		654,544		
3	Auditor General's Office.....				
4	Board of Broadcast Governors.....				
5	Canadian Broadcasting Corporation.....				
6	Central Mortgage and Housing Corporation.....		163,328,293		
7	Office of the Chief Electoral Officer.....				
8	Consumer and Corporate Affairs.....				
9	Defence Production.....		5,134,935		
10	Dominion Bureau of Statistics.....				
11	Energy, Mines and Resources.....		149,143		
12	External Affairs.....		309,103		
13	Finance.....		404,060,583	10,672,046	
14	Fisheries.....		378,414		
15	Forestry and Rural Development.....				
17	Indian Affairs and Northern Development.....	1	1,007,081		
18	Industry.....		987,392		
19	Insurance.....	302,581			
20	Justice.....				
21	Labour.....		1,969		
22	Legislation.....				
23	Manpower and Immigration.....		1,567		
24	National Defence.....		1,369,081		
25	National Film Board.....				
26	National Gallery of Canada.....				
27	National Health and Welfare.....				
28	National Research Council including the Medical Research Council.....		191		
29	National Revenue.....	8,015,959,861	1,885		
30	Post Office.....		17,633		281,645,632
31	Privy Council.....				
32	Public Archives and National Library.....		12,192		
33	Public Printing and Stationery.....				
34	Public Service Commission.....				
35	Public Service Staff Relations Board.....				
36	Public Works.....				
37	Secretary of State.....				
38	Solicitor General.....		441,184		
39	Trade and Commerce.....		9,478,688		
40	Transport.....		11,180,186		
41	Treasury Board.....				
42	Unemployment Insurance Commission.....				
43	Veterans Affairs.....		12,989,306		
		8,016,262,443	612,274,956	10,672,046	281,645,632

DEPARTMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1968

Privileges, licences and permits	Proceeds from sales	Services and service fees	Refunds of previous years' expenditure	Miscellaneous	Total	Section (Public Accounts, Volume II)
\$	\$	\$	\$	\$	\$	
1,498,231	1,753,419	9,300,329	89,089	170,290	13,582,944	1
					654,544	2
		13,046	1,081	4	14,131	3
			9	2,583	2,592	4
10,291					10,291	5
	3,459,200		1,309,768	913,691	169,010,952	6
			17	6,200	6,217	7
5,255,500	21	604,422	1,717	505,118	6,366,778	8
	4,706,547	76,310	377,094	115,642	10,410,528	9
		64,614	3,065		67,679	10
389,996	809,497	51,018	83,513	31,961	1,515,128	11
1,370,600	107,271	17,655	204,647	576,524	2,585,800	12
	70	6,740,316	188,345	1,583,295	423,244,655	13
297,917	163,287	3,350	13,007	103,014	958,989	14
179,951	52,859	3,747	98,588	117	335,262	15
7,759,122	1,043,005	1,264,928	854,625	847,010	12,775,772	17
	628		35,485	227,616	1,251,121	18
		1,244,571		65	1,547,217	19
		64,231	6,196	59,434	129,861	20
	4,168	1,803	5,465	1,203,514	1,216,919	21
255,744		5,136	12,164	114,599	387,643	22
19,548	28,672	34,562	1,270,987	357,130	1,712,466	23
720,672	1,043,614	2,178,168	6,863,151	2,495,552	14,670,238	24
			80,664		80,664	25
				66	66	26
299,609	249,839	5,553,880	563,000	73,073	6,739,401	27
			234,059	528	234,778	28
95,411	244,230	269,676	103,590	3,046,614	8,019,721,267	29
			53,574	49,154	281,765,993	30
			1,808	5,752	7,560	31
		24,859	3,910	289	41,250	32
23,842	3,148,207	44,647	286	1,490	3,218,472	33
		5,781	811	10	6,602	34
			954		954	35
4,299,779	581	1,936,647	636,540	442,054	7,315,601	36
521,266	3,467		14,447	101,259	640,439	37
47,970	326,357	7,555	475,041	236,887	1,534,994	38
36,273	107,471	2,207,368	64,205	321,938	12,215,943	39
18,507,286	1,181,649	27,191,160	1,217,732	486,324	59,764,337	40
				661,765	661,765	41
	5	4,765	23,807	175,531	204,108	42
21,493	96,576		6,763,392	106,760	19,977,527	43
41,610,501	18,530,640	58,914,544	21,655,833	15,022,853	9,076,589,448	

RETURN ON INVESTMENTS

	Fiscal year ended March 31	
	1968	1967
Loans to, and investments in, Crown corporations—		
Atomic Energy of Canada Limited	\$ 654,544	\$ 559,023
Bank of Canada—profits	177,024,221	150,584,613
Canada Deposit Insurance Corporation	243,308	
Canadian Broadcasting Corporation	3,759,621	2,202,958
Canadian Commercial Corporation	3,093	
Canadian Corporation for the 1967 World Exhibition	9,929,074	3,551,620
Canadian Dairy Commission	913,189	
Canadian National Railways	22,478,191	16,446,239
Canadian Overseas Telecommunication Corporation	2,495,059	2,554,838
Central Mortgage and Housing Corporation	163,328,293	129,673,462
Eldorado Mining and Refining Limited		1,000,000
Export Credits Insurance Corporation	9,473,331	7,755,146
Farm Credit Corporation	34,611,349	29,140,595
National Capital Commission	3,792,538	3,781,179
National Harbours Board	1,409,652	1,677,116
Northern Canada Power Commission	3,833,945	3,141,905
Northern Ontario Pipe Line Crown Corporation	693,470	
Polymer Corporation	2,600,000	4,500,000
The St. Lawrence Seaway Authority	10,848,912	13,754,135
	448,091,790	370,322,829
Other loans and investments—		
United Kingdom	21,184,629	21,561,748
Other national governments	3,912,477	4,131,073
Provincial governments	573,319	777,200
Soldier and general land settlement loans and veterans land act advances	12,989,306	10,589,327
Exchange fund account	55,188,836	60,638,024
Securities investment account	17,022,285	3,648,842
Interest-bearing deposits with chartered banks	23,351,019	24,209,495
Municipal development and loan board	12,715,939	5,933,208
Defence production	2,534,935	4,446,874
Investments held for retirement of unmatured debt	272,919	78,522
Investments in United States dollar securities issued by other than the Govern- ment of Canada	8,617,138	8,354,569
Miscellaneous	5,820,364	4,448,635
	164,183,166	148,817,517
	612,274,956	519,140,346

GOVERNMENT OF CANADA EQUITY IN CROWN CORPORATIONS

AS AT MARCH 31, 1968

Corporation	Recorded government equity	Unrecorded government equity	Total government equity
	\$	\$	\$
Agency—			
Atomic Energy of Canada Limited.....	138,914,833	(1)11,456,692	150,371,525
Canadian Arsenals Limited.....	5,000,000	— 34,032	4,965,968
Canadian Commercial Corporation.....	16,500,000	405,239	16,905,239
Canadian Dairy Commission.....	22,178,981	21,844,227	44,023,208
Canadian National (West Indies) Steamships Limited.....	325,000	231,058	556,058
Canadian Patents and Development Limited.....	296,199	923,289	1,219,488
Crown Assets Disposal Corporation.....	*7,257,402	100,000	7,357,402
Defence Construction (1951) Limited.....		31	31
The National Battlefields Commission.....		1,626,953	1,626,953
National Capital Commission.....	75,115,901	106,130,911	181,246,812
National Harbours Board.....	250,035,458	229,634,798	479,670,256
Northern Canada Power Commission.....	33,631,203	11,214,619	44,845,822
	549,254,977	383,533,785	932,788,762
Proprietary—			
Air Canada.....		11,630,608	11,630,608
Canada Deposit Insurance Corporation.....	29,350,000	6,386,486	35,736,486
Canadian Broadcasting Corporation.....	83,124,838	20,179,099	103,303,937
Canadian National Railways.....	(2)1,785,706,588	787,716,300	2,573,422,888
Canadian Overseas Telecommunication Corporation.....	52,383,257	23,264,315	75,647,572
Cape Breton Development Corporation.....	5,250,000	— 65,523	5,184,477
Central Mortgage and Housing Corporation.....	3,575,406,913	(3)27,677,273	3,603,084,186
Eldorado Aviation Limited.....		254,391	254,391
Eldorado Mining and Refining Limited.....	(4)8,246,877	43,785,372	52,032,249
Export Credits Insurance Corporation.....	199,121,902	(5)13,270,995	212,392,897
Farm Credit Corporation.....	921,685,092	(6)27,766,093	949,451,185
Northern Transportation Company Limited.....		7,410,808	7,410,808
Polymer Corporation Limited.....	30,000,000	73,130,580	103,130,580
The St. Lawrence Seaway Authority.....	492,417,622	(7)80,007,116	572,424,738
	7,182,693,089	1,122,413,913	8,305,107,002
Other—			
Bank of Canada.....	5,920,000	24,080,000	30,000,000
Canadian Corporation for the 1967 World Exhibition.....	205,000,000		205,000,000
Industrial Development Bank.....		19,592,251	19,592,251
Northern Ontario Pipeline Crown Corporation.....		3,470	3,470
National Arts Centre Corporation.....		475,666	475,666
	210,920,000	44,151,387	255,071,387
	7,942,868,066	1,550,099,085	9,492,967,151
*Government equity in agency account recorded in schedule H—"Other loans and investments—miscellaneous"....	— 7,257,402		
Total per schedule F—"Loans to, and investments in, Crown corporations".....	7,935,610,664		

Total government equity represents the loans, advances and proprietary equities as shown in the financial reports of Crown corporations at their respective year-ends falling in the fiscal year ended March 31, 1968 plus any adjustments for transactions with the corporations from their year-end dates to March 31, 1968 as follows: National Harbours Board, \$14,116,417, Canadian National Railways, \$35,575,643, Central Mortgage and Housing Corporation, \$73,376,079, Export Credits Insurance Corporation, \$12,973,146, The St. Lawrence Seaway Authority, \$10,700,000, Canada Deposit Insurance Corporation \$4,000,000, and Cape Breton Development Corporation \$5,000,000.

Included in the unrecorded equity of the Government of Canada in Crown corporations are those amounts which, although designated by certain Crown corporations as proprietor's equity, have been financed by the Government of Canada and charged to government expenditure or to net debt, and have been fully expended in the acquisition of the Crown corporation's capital assets.

Certain corporations are wholly-owned subsidiaries of, or are 50% owned by, other Crown corporations. The equity of the government in the share capital of these subordinate companies is included in "Unrecorded government equity". The relationships between the companies are as follows: Air Canada is a wholly-owned subsidiary of Canadian National Railways; The Seaway International Bridge Corporation, Ltd. is 50% owned by The St. Lawrence Seaway Authority; Eldorado Aviation Limited and Northern Transportation Company Limited are wholly-owned subsidiaries of Eldorado Mining and Refining Limited; and The Industrial Development Bank is a wholly-owned subsidiary of the Bank of Canada.

(1)Includes accrued interest \$9,299,466.

(2)Includes advances on 1968 income deficit of Canadian National Railways, \$13,000,000, and of Air Canada, \$7,959,000; and loans in respect of Yarmouth—Bar Harbour ferry services, \$641,144.

(3)Includes accrued interest, \$22,677,273.

(4)Includes premium on acquisition of capital stock, \$1,660,797.

(5)Includes accrued interest of \$3,427,547.

(6)Includes accrued interest of \$26,219,852.

(7)Includes equity in net income of The Seaway International Bridge Corporation, Ltd., \$158,399.

(8)Includes premium on acquisition of capital stock, \$920,000.

UNMATURED DEBT INCLUDING TREASURY BILLS OF CANADA ON MARCH 31, 1968

		Date of maturity	Rate per cent	Amount of loan
PAYABLE IN CANADA—				
<i>Bonds—</i>				
Loan of 1967.....	F 10	1968 Apr. 1	4½	\$ 175,000,000
Refunding loan 1950.....	P 9	June 15	2½	308,581,000
Loan of 1967.....	F 13	June 15	4½	160,000,000
Loan of 1963 and 1964.....	CT 3	Oct. 1	5	441,000,000
Loan of 1967.....	F 15	Oct. 1	5	20,000,000
Canada savings bonds 1959.....	S 14	Nov. 1	5	710,305,250
Loan of 1967.....	F 18	Dec. 15	4½	125,000,000
Loan of 1960.....	T 39	1969 Apr. 1	5½	80,000,000
Loan of 1962.....	AT 16	Apr. 1	5½	100,000,000
Loan of 1965.....	CT 23	Apr. 1	5½	100,000,000
Loan of 1967.....	F 16	Apr. 1	5½	70,000,000
Canada savings bonds 1956.....	S 11	May 1	4	26,279,100
Loan of 1964.....	CT 11	July 1	5	325,000,000
Loan of 1962.....	AT 13	Oct. 1	5½	80,000,000
Loan of 1965.....	CT 21	Oct. 1	5½	145,000,000
Loan of 1966.....	F 5	Oct. 1	5½	250,000,000
Loan of 1967.....	F 19	Dec. 15	5½	175,000,000
Loan of 1968.....	F 24	1970 Feb. 15	6	250,000,000
Loan of 1958.....	T 24	May 1	3½	200,000,000
Loan of 1965 and 1966.....	CT 19	July 1	5	175,000,000
Loan of 1966 and 1967.....	F 2	July 1	5	140,000,000
Canada savings bonds 1957.....	S 12	Nov. 1	4½	130,099,500
Canada savings bonds 1960.....	S 15	Nov. 1	5	174,918,200
Loan of 1966.....	F 8	Dec. 15	5½	300,000,000
Loan of 1967.....	F 20	1971 Apr. 1	6	225,000,000
Loan of 1964.....	CT 15	June 1	5	350,000,000
Canada savings bonds 1961.....	S 16	Nov. 1	4½	136,434,600
Loan of 1967 and 1968.....	F 17	Dec. 15	6	285,000,000
Conversion loan 1958.....	T 28	1972 Sept. 1	4½	1,267,203,100
Loan of 1965.....	CT 17	1973 Oct. 1	5	275,000,000
Loan of 1967.....	F 11	Oct. 1	5	200,000,000
Canada savings bonds 1958.....	S 13	Nov. 1	4½	48,969,750
Loan of 1967.....	F 22	Dec. 1	6½	225,000,000
Canada savings bonds 1964.....	S 19	1974 Nov. 1	5	320,754,050
Loan of 1967.....	F 14	Dec. 1	5½	100,000,000
Loan of 1959.....	T 36	1975 Oct. 1	5½	310,361,000
Loan of 1965.....	CT 24	Oct. 1	5½	50,000,000
Loan of 1967.....	F 9	Oct. 1	5½	70,000,000
Canada savings bonds 1963.....	S 18	Nov. 1	5	345,695,800
Loan of 1960.....	T 38	1976 Apr. 1	5½	436,198,000
Loan of 1954.....	T 11	June 1	3½	247,046,500
Canada savings bonds 1962.....	S 17	Nov. 1	5	715,102,550
Canada savings bonds 1965.....	S 20	1977 Nov. 1	5	270,949,950
Loan of 1953 and 1958.....	T 5	Jan. 15	3½	207,911,500
Loan of 1954.....	T 13	1979 Oct. 1	3½	343,246,500
Canada savings bonds 1966.....	CS	Nov. 1	5	1,813,296,400
Loan of 1962.....	AT 14	1980 Aug. 1	5½	120,000,000
Loan of 1966.....	CT 26	Aug. 1	5½	80,000,000
Loan of 1966 and 1967.....	F 3	Aug. 1	5½	160,000,000
Canada savings bonds 1967.....	S 22	Nov. 1	5½	1,403,735,400
Conversion loan 1958.....	T 29	1983 Sept. 1	4½	1,992,679,450
Loan of 1963.....	AT 21	1988 June 1	5	100,000,000
Loan of 1964.....	CT 9	June 1	5	50,000,000
Loan of 1964 and 1965.....	CT 12	1990 May 1	5½	225,000,000
Loan of 1967.....	F 12	May 1	5½	125,000,000
Loan of 1966 and 1967.....	F 6	1992 Sept. 1	5½	225,000,000
Conversion loan 1956.....	T 15	1998 Mar. 15	3½	197,045,000
Loan of 1936.....	P 1	Perpetual	3	55,000,000
<i>Special non-marketable bonds—</i>				
Canada pension plan investment fund.....		Various	Various	5,708,000
Unemployment Insurance Commission.....		Various	Various	296,000,000
<i>Treasury bills.....</i>				17,939,520,600
				2,480,000,000
				20,419,520,600
PAYABLE IN NEW YORK—				
<i>Bonds—</i>				
Loan of 1949.....		1974 Sept. 1	2½	48,755,627
Loan of 1950.....		1975 Sept. 15	2½	30,301,591
Loan of 1962.....		1987 Oct. 15	5	81,297,216
				160,354,434
				20,579,875,034

Where various rates of interest are applicable during the term of a loan the interest rate in effect at March 31, 1968 has been used. Bonds payable in New York have been converted at the official parity rate of \$1U.S. = \$1.08108 Canadian.

SUMMARY OF INDIRECT DEBT OR CONTINGENT LIABILITIES

	Amount outstanding March 31	
	1968	1967
	\$	\$
Canadian National Railways securities guaranteed as to principal and interest. . . .	1,197,180,986	1,275,947,986
Other guarantees—		
Insured loans made by approved lenders under the National Housing Act, 1954 ⁽¹⁾	6,311,000,000	5,789,000,000
Loans made by lenders under Part IV of the National Housing Act, 1954 for home extensions and improvements ⁽²⁾	20,209,000	18,693,000
Chartered bank deposits in Bank of Canada.	935,782,098	1,148,002,000
Export Credits Insurance Act.	369,387,071	458,096,000
Bank loans to Canadian Wheat Board.	141,414,000	329,018,000
Bank loans under Farm Improvement Loans Act.	99,657,000	84,786,000
Bank loans under the Small Businesses Loans Act.	16,336,000	14,775,000
Bank loans under the Canada Student Loans Act.	180,084,000	133,608,000
Notes issued by the Canadian Corporation for the 1967 World Exhibition. . . .	228,250,000	175,000,000
Sundry other guarantees (excluding indeterminate amounts ⁽³⁾).	612,000	527,000
	9,499,912,155	9,427,452,986

These contingent liabilities are expressed in Canadian dollars; bonds payable in United States dollars are converted at the rate of \$1 U.S. = \$1.08108 Canadian.

⁽¹⁾As reported (in accordance with section 45 of the National Housing Loan Regulations) by approved lenders at December 31, within the fiscal year.

⁽²⁾As at December 31, within the fiscal year.

⁽³⁾Loans maintained by approved lending institutions under National Housing Acts prior to 1954 Act, and guarantees to owners of returns from moderate rental housing projects, in respect of which funds totalling \$4 million are held by Central Mortgage and Housing Corporation for the purpose of settling claims and in respect of which rental guarantee contracts totalled \$13 million in 1967.

EXPLANATORY NOTES

The Government's financial statements and general system of accounting differ from normally accepted commercial accounting practices. The particular aspects and significant features of these differences are more fully explained in the annual Public Accounts as tabled in the House of Commons by the Minister of Finance.

The Government's accounts are maintained on a "cash" basis in order to serve the requirements of Parliament and more particularly to ensure effective control by that body over public moneys. However, there is provision in the Financial Administration Act to permit the inclusion in the fiscal year of expenditures relating thereto which on a pure cash basis would be excluded. As an example liabilities under contracts and other accounts payable at March 31, for which cheques are issued during the month of April, are charged to expenditures in the old year and appear as current liabilities on the statement of assets and liabilities; also, loan discounts and commissions are set up as deferred charges to be amortized over the term of the loan and provision has been made for a reserve for possible losses on realization of assets. Revenues are reported on a cash basis. Consequently taxes assessed and due, other revenues receivable or accrued and other asset accruals and inventories of materials, supplies and equipment are not recorded as assets (except when these are held as charges against working capital accounts or revolving funds) nor are public works and buildings or other fixed or capital assets. Interest payable on public debt is accrued monthly but interest receivable is not accrued and is only taken to account when actually received. It should also be noted that capital works and equipment are recorded at a nominal value of \$1 as they are not considered a proper offset to the gross liabilities in determining the net debt of Canada and their costs of acquisition or construction are charged to expenditures. Furthermore, the statement of assets and liabilities, in accordance with section 64 of the Financial Administration Act, includes such of the assets and liabilities of Canada as in the opinion of the Minister of Finance are required to show the financial position of Canada at the termination of the fiscal year.

There are certain other requirements and minor variations, details of which, along with additional information and specific items in the Statement of Assets and Liabilities, are more fully explained in the annual Public Accounts.

1. Capital assets appearing on the Statement of Assets and Liabilities at a nominal value of \$1 comprise such capital assets of the Government as land, buildings, works, equipment, etc., which in accordance with long standing practice are charged to budgetary expenditures at the time of acquisition or construction.
2. The increase in net debt reflects the budgetary deficit of \$794,774,669 for the fiscal year 1967-68.
3. Additional liabilities for the public service superannuation account, the Canadian forces superannuation account and the Royal Canadian Mounted Police superannuation account arising out of pay increases and as revealed by quinquennial actuarial valuations have been credited to these accounts and charged to deferred charges and are being amortized over a five year period in accordance with amendments to the superannuation acts.
4. Unmatured debt includes bonds payable in New York in the amount of \$148,328,000 U.S. converted at the official parity rate of \$1 U.S. = \$1.08108 Canadian.

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